

1 A P P E A R A N C E S: (CONT'D)

2 FOR DEFENDANT GE: SWANSON, MCNAMARA & HALLER
3 BY: EDWARD SWANSON
4 AUGUST GUGELMANN
5 300 MONTGOMERY STREET
6 SUITE 1100
7 SAN FRANCISCO, CALIFORNIA
8 94101

9 FOR NETLOGIC: GIBSON, DUNN & CRUTCHER
10 BY: SUSANNAH STROUD WRIGHT
11 MICHAEL B. SMITH
12 1881 PAGE MILL ROAD
13 PALO ALTO, CALIFORNIA 94304

14 FOR TSMC: KEKER & VAN NEST
15 BY: STEVEN P. RAGLAND
16 710 SANSOME STREET
17 SAN FRANCISCO, CALIFORNIA
18 94111

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1 SAN JOSE, CALIFORNIA

OCTOBER 27, 2009

2 P R O C E E D I N G S

3
4 (WHEREUPON, THE PROCEEDINGS IN THIS
5 MATTER WERE HELD OUT OF THE PRESENCE OF THE JURY:)

6 MR. SWANSON: ONE MATTER BEFORE THE JURY
7 IS CALLED.

8 WE FILED A MOTION LAST NIGHT REGARDING
9 THE TWO WITNESSES THAT THE GOVERNMENT HAD ON THEIR
10 WITNESS LIST WHO ARE NOT AVAILABLE. ONE IS KENT
11 YAKAWA AND THE OTHER IS XIAODONG YANG.

12 AS THE COURT MAY RECALL, THE PARTIES WERE
13 WORKING TO TRY TO COME UP WITH A STIPULATION TO
14 PRESENT TO THE COURT.

15 THE COURT: WHAT IS THE MOTION?

16 MR. SWANSON: THE MOTION IS TO ADMIT
17 THEIR GRAND JURY TESTIMONY, PORTIONS OF IT.

18 THE COURT: I'LL TAKE A LOOK AT IT.
19 SUMMON THE JURY.

20 MR. SWANSON: OKAY.

21 (WHEREUPON, THE FOLLOWING PROCEEDINGS
22 WERE HELD IN THE PRESENCE OF THE JURY:)

23 THE COURT: PLEASE BE SEATED. VERY WELL.
24 WELCOME BACK ALL.

25 JUROR: GOOD MORNING.

1 JUROR: GOOD MORNING.

2 THE COURT: YOU MAY RESUME YOUR
3 EXAMINATION.

4 MR. PARRELLA: THANK YOU, YOUR HONOR.

5 **YUNCHUN LI,**

6 BEING CALLED AS A WITNESS ON BEHALF OF THE
7 PLAINTIFF, HAVING BEEN FIRST DULY SWORN, WAS EXAMINED
8 AND TESTIFIED AS FOLLOWS:

9 **DIRECT EXAMINATION (RESUMED)**

10 BY MR. PARRELLA:

11 Q MS. LI, I'LL REMIND YOU YOU'RE STILL UNDER
12 OATH. THANK YOU. YOU CAN MOVE THAT MICROPHONE
13 TOWARD YOU.

14 AND I KNOW WE COVERED, OR BEGAN TO COVER
15 ABOUT FOUR DAYS AGO, BUT LET ME DIRECT YOUR
16 ATTENTION AGAIN TO SEPTEMBER 27, 2002.

17 DO YOU RECALL THAT DATE?

18 A YES.

19 Q AND LET ME SHOW -- SHOWING THE WITNESS
20 GOVERNMENT 1A IN EVIDENCE.

21 DO YOU RECOGNIZE THE BODY OF THAT E-MAIL?

22 A YES.

23 Q AND DID YOU WRITE THAT?

24 A YES.

25 Q DID YOU SEND THAT E-MAIL?

1 A YES.

2 Q AS I SAID, WE DISCUSSED THIS EARLIER. DID YOU
3 DISCUSS WITH ANYONE THE FACT THAT YOU SENT THAT
4 E-MAIL TO MR. JANKOV?

5 A NO.

6 Q DID YOU REFERENCE THAT E-MAIL IN ANY OTHER
7 COMMUNICATIONS, SUCH AS AN E-MAIL?

8 A NO.

9 Q NOW, LET ME DIRECT YOUR ATTENTION TO DECEMBER
10 2ND, 2002. AND I'M SHOWING THE WITNESS GOVERNMENT
11 1B.

12 CAN YOU TAKE A LOOK AT THAT AND TELL US
13 WHAT THAT IS?

14 A YES.

15 Q THE BODY OF THE E-MAIL?

16 A PARDON? WHAT? WHAT WAS THE QUESTION?

17 Q EXCUSE ME. ONE SECOND.

18 (PAUSE IN PROCEEDINGS.)

19 BY MR. PARRELLA:

20 Q THANK YOU.

21 LET ME DIRECT YOUR ATTENTION TO THE TOP
22 PORTION OF THAT UNDER "URGENT MESSAGE TO RON
23 JANKOV," PLEASE.

24 DID YOU SEND THIS E-MAIL?

25 A YES.

1 Q AND DID YOU WRITE THE WORDS "HE WAS IN CHINA
2 TALKING TO V.C.'S THIS PAST WEEKEND"?

3 A YES.

4 Q AND WHAT DID YOU MEAN BY V.C.'S?

5 A VENTURE CAPITALISTS.

6 Q AND WHERE DID YOU GET THE INFORMATION?

7 A FROM MY HUSBAND.

8 Q AND CAN YOU DESCRIBE THAT? WAS THAT IN A
9 CONVERSATION OR WHAT?

10 A UM, I BELIEVE I FOUND SOME EXPENSE IN OUR BANK
11 STATEMENT AND I WAS ASKING MY HUSBAND WHAT WAS THAT
12 FOR, AND HE SAID THAT WAS AN EXPENSE FOR LAN TO
13 TRAVEL TO CHINA.

14 Q AND HOW MUCH WAS THE EXPENSE?

15 A I DON'T REMEMBER. MAYBE AROUND 1,000.

16 Q AND DO YOU RECALL THE TIMEFRAME OF THE
17 EXPENSE? IN OTHER WORDS, WAS THE EXPENSE A MONTH
18 BEFORE THE CONVERSATION? TWO MONTHS? THREE
19 MONTHS?

20 A NO, I DON'T RECALL.

21 Q CAN YOU ESTIMATE?

22 A NO, I CAN'T.

23 Q WAS IT AFTER YOU SENT THE ORIGINAL E-MAIL ON
24 SEPTEMBER 27TH?

25 A I GUESS SO.

1 Q OKAY. IN BETWEEN -- EXCUSE ME.

2 IN BETWEEN SEPTEMBER 27TH AND DECEMBER
3 2ND, 2002, DID YOU USE THE JKLWANG123@YAHOO.COM
4 E-MAIL?

5 A NO.

6 Q DID YOU SEND ANY OTHER E-MAILS FROM ANY OTHER
7 ADDRESS TO MR. JANKOV?

8 A NO.

9 Q LET ME NOW DIRECT YOUR ATTENTION TO MARCH 26,
10 2003. SHOWING THE WITNESS GOVERNMENT'S EXHIBIT 1C.

11 WELL, BEFORE WE GO TO MARCH 26TH, LET ME
12 DIRECT YOUR ATTENTION TO JANUARY 6TH, 2003.

13 DO YOU RECALL THAT DAY?

14 A I DON'T. BUT I KIND OF REMEMBER BY LOOKING AT
15 THESE RECORDS.

16 Q AND DID YOU CALL THE F.B.I. AT ANY POINT?

17 A YES.

18 Q AND WHERE DID YOU MAKE THAT TELEPHONE CALL
19 FROM?

20 A I THINK IT'S IN -- I THINK I MADE THE PHONE
21 CALL WHEN I WAS AT WORK.

22 Q UH-HUH. DID YOU -- AND WHAT DID YOU TELL THE
23 F.B.I.?

24 A I DON'T REMEMBER THE DETAILS.

25 Q OKAY. DID YOU GIVE YOUR NAME?

1 A NO.

2 Q AND DID THEY ASK FOR YOUR NAME?

3 A I DON'T REMEMBER, BUT I DIDN'T GIVE.

4 Q DID YOU TALK ABOUT THE SITUATION WITH NETLOGIC
5 MICROSYSTEMS?

6 A YES.

7 Q AND WAS THIS ABOUT THE SAME TOPIC THAT YOU HAD
8 BEEN E-MAILING MR. JANKOV?

9 A YES, BECAUSE I DIDN'T GET ANY -- I DON'T
10 SEE -- OR AT LEAST TO MY KNOWLEDGE I DON'T -- I'M
11 NOT AWARE OF ANYTHING, ANY ACTION TAKEN BY HIM.

12 SO I DON'T SEE MY HUSBAND IS SLOWING DOWN
13 OR SPENDING MORE TIME WITH THE FAMILY.

14 SO I THINK THAT'S PROBABLY --

15 Q OKAY.

16 A -- WHY I'M TAKING THE NEXT STEP.

17 Q LET ME SHOW YOU -- WOULD LOOKING AT THE RECORD
18 FROM THE F.B.I. REFRESH YOUR RECOLLECTION?

19 A UH-HUH.

20 Q CAN YOU -- YOU HAVE TO ANSWER OUT LOUD FOR THE
21 REPORTER.

22 THE COURT: WELL, IT'S HARD FOR SOMEONE
23 TO KNOW. IF SHE HAS SEEN IT BEFORE, PERHAPS THAT
24 WOULD.

25 BUT I OFTEN WONDER HOW A WITNESS WOULD

1 KNOW IF SOMETHING SHE HASN'T SEEN WOULD REFRESH HER
2 RECOLLECTION.

3 BY MR. PARRELLA:

4 Q WELL, LET ME SHOW YOU A REPORT FROM THE F.B.I.
5 AND ASK YOU IF THAT REFRESHES YOUR RECOLLECTION.

6 THE COURT: AS TO WHAT?

7 MR. PARRELLA: AS TO WHAT SHE HAD STATED
8 TO THE F.B.I. ON JANUARY 6TH, 2003.

9 THE WITNESS: UM --

10 THE COURT: NOW, YOU'RE NOT BEING ASKED
11 WHAT THAT SAYS.

12 YOU'RE ASKED TO LOOK AT THAT AND SEE IF
13 IT REFRESHES YOUR RECOLLECTION. AND YOU SHOULD PUT
14 IT ASIDE AND TELL US WHAT YOU RECALL, IF YOU DO.

15 OR IF YOU DON'T RECALL, SAY, "NO, IT
16 DOESN'T."

17 DO YOU UNDERSTAND THE QUESTION?

18 THE WITNESS: YES.

19 NO, IT DOESN'T.

20 BY MR. PARRELLA:

21 Q OKAY. DO YOU RECALL DISCUSSING INFORMATION
22 GOING BACK AND FORTH OR BEING UTILIZED BY LAN LEE?

23 A I DON'T UNDERSTAND.

24 Q OKAY. DO YOU RECALL DISCUSSING LAN LEE TRAVEL
25 TO CHINA?

1 A I DON'T REMEMBER.

2 Q OKAY. AND DO YOU RECALL THE NAME QIAN ZHANG?

3 A I DON'T REMEMBER. I CAN'T RECALL.

4 Q OKAY. IS THERE ANYTHING ABOUT THAT REPORT
5 THAT WOULD REFLECT YOUR RECOLLECTION?

6 A NO. THE REPORT IS NOT IN MY ORIGINAL -- MY
7 OWN WORDS.

8 Q RIGHT. YOU DIDN'T COMPLETE THAT REPORT
9 OBVIOUSLY?

10 A YEAH, SO IT'S LIKE BEING REWRITTEN. IT'S -- I
11 DON'T USE SOME FORMAL WORDS LIKE "COMPANY PROTECTED
12 TECHNOLOGY."

13 Q WHAT WORDS DO YOU USE?

14 A I DON'T KNOW. IF YOU LOOK AT MY E-MAIL, YOU
15 CAN SEE MY WRITING STYLE AND MY VOCABULARY IS
16 DIFFERENT FROM WHAT IS HERE.

17 Q FAIR ENOUGH. BUT DO YOU RECALL WHAT WORDS YOU
18 USED WHEN YOU CALLED THE F.B.I.?

19 A NO, I DON'T RECALL. NO, I DON'T RECALL.

20 Q NOW, HAD YOU EVER CALLED THE F.B.I. BEFORE IN
21 YOUR LIFE?

22 A NO.

23 Q YOU KNEW WHAT THE F.B.I. DOES; CORRECT?

24 A UM, NOT VERY CLEARLY. I WAS UNDER VERY
25 STRESSFUL SITUATION, SO I TOOK THIS EXTREME ACTION.

1 Q DID YOU REALIZE THE F.B.I. INVESTIGATES
2 CRIMES?

3 A YES.

4 Q SO DO YOU REMEMBER ANYTHING ELSE ABOUT THE
5 CONVERSATION ON JANUARY 6TH, 2003?

6 A NO.

7 Q OKAY. SO LET ME SET THAT ASIDE.

8 NOW, LET ME DIRECT YOUR ATTENTION TO --
9 WELL, BEFORE WE MOVE ON, DID YOU DISCUSS THAT
10 TELEPHONE CALL TO THE F.B.I. THAT YOU MADE ON
11 JANUARY 6TH, 2003, DID YOU DISCUSS THAT WITH
12 ANYBODY ELSE?

13 A NO.

14 Q OKAY. DID YOU REFERENCE THAT TELEPHONE CALL
15 IN ANY SORT OF COMMUNICATION?

16 A NO.

17 Q OKAY. NOW, ON JANUARY 7TH, 2003, THE NEXT
18 DAY, DID YOU CALL THE F.B.I. AGAIN?

19 A I DON'T REMEMBER THE EXACT DATE.

20 Q OKAY. DID YOU CALL THE F.B.I. THE DAY AFTER
21 YOU CALLED THEM THE FIRST TIME?

22 A I'M NOT SURE IF IT'S EXACTLY ONE DAY OR NOT.

23 Q OKAY.

24 A BUT I DO REMEMBER I CALLED TWICE. SO ONCE IS
25 A RECORDING, AND THEN SO IT'S MARKED HERE AND IT'S

1 TELEPHONE.

2 THE COURT: WELL, LET'S MAKE SURE YOU'RE
3 TESTIFYING FROM YOUR RECOLLECTION AS OPPOSED TO THE
4 DOCUMENT.

5 YOU WERE ASKED TO SET IT ASIDE, BUT IT
6 APPEARS TO THE COURT THAT YOU'RE READING FROM IT,
7 WHICH IS OKAY IF YOU'RE ASKED TO READ FROM IT, BUT
8 I JUST DON'T WANT YOU TO ANSWER A QUESTION OTHER
9 THAN WHAT YOU'RE BEING ASKED.

10 COUNSEL, CLARIFY WHAT YOU'RE ASKING THE
11 WITNESS.

12 BY MR. PARRELLA:

13 Q SO DID YOU CALL THE F.B.I. A SECOND TIME AND
14 HAVE A CONVERSATION WITH A PERSON?

15 A YES.

16 Q OKAY. AND WAS THAT SOON AFTER THE FIRST
17 CONVERSATION?

18 A YES.

19 Q AND MAYBE THE NEXT DAY?

20 A YES.

21 Q AND CAN YOU RECALL WHETHER IT WAS THE NEXT DAY
22 OR NOT?

23 A NO, I CAN'T RECALL.

24 Q OKAY. DO YOU RECALL WHAT YOU TOLD THE F.B.I.
25 ON THE SECOND PHONE CALL?

1 A NO.

2 Q IN GENERAL, WHAT DID YOU DISCUSS, IF YOU
3 RECALL?

4 A UM, I MENTIONED LAN LEE, BUT I DON'T REMEMBER
5 OTHER DETAILS.

6 Q OKAY. LET ME SHOW YOU AN F.B.I. REPORT AND
7 ASK IF THIS -- TAKE A LOOK AT THAT, PLEASE, AND ASK
8 IF THAT REFRESHES YOUR RECOLLECTION OF WHAT YOU
9 SAID ON THE SECOND PHONE CALL.

10 A NO, IT DOESN'T.

11 Q OKAY. DID YOU DISCUSS THAT LAN LEE WORKS FOR
12 NETLOGIC MICROSYSTEMS OR NOT?

13 A YES.

14 Q OKAY. YOU REMEMBER THAT?

15 A YES.

16 Q OKAY. DID YOU DISCUSS THAT HE HAD WORKED FOR
17 SUN MICROSYSTEMS IN THE PAST?

18 A MAYBE.

19 Q OKAY. DO YOU RECALL THAT?

20 A NO, I DON'T RECALL THAT.

21 Q OKAY. AND DID YOU DISCUSS THE NAME QIAN ZHANG
22 AND A TELEPHONE NUMBER, OR A FAX NUMBER I SHOULD
23 SAY, IN CHINA?

24 A I DON'T REMEMBER.

25 Q OKAY. LET ME ASK YOU, DID YOU -- THESE TWO

1 PHONE CALLS, WHAT WAS THE SOURCE OF THE INFORMATION
2 THAT YOU USED IN THESE PHONE CALLS?

3 A FROM MY HUSBAND.

4 Q AND HOW DID YOU GET IT FROM YOUR HUSBAND?

5 A FROM CONVERSATION I KNOW THAT HE WORKS AT
6 NETLOGIC. I DON'T RECALL HOW I GOT NAME QIAN ZHANG
7 AND THE TELEPHONE NUMBER.

8 Q AND THE FAX NUMBER?

9 A YEAH, I DON'T RECALL HOW I GOT THAT.

10 Q AND DID YOU SEE ANY DOCUMENTS?

11 A NO.

12 Q DID YOU SEE ANY FAXES?

13 A NO.

14 Q DID YOU LOOK AT ANY PHONE BILLS?

15 A PHONE BILLS MIGHT.

16 Q AND DID YOU REVIEW ANY OTHER BANK STATEMENTS?

17 A UH-HUH.

18 Q AND WERE THERE ANY OTHER --

19 THE COURT: YOU HAVE TO ANSWER YES OR NO.

20 THE WITNESS: YES.

21 BY MR. PARRELLA:

22 Q WERE THERE ANY OTHER EXPENDITURES?

23 A NO.

24 Q OKAY. DID YOU DISCUSS THE SECOND PHONE CALL
25 WITH YOUR HUSBAND?

1 A NO.

2 Q DID YOU DISCUSS IT WITH ANYBODY?

3 A NO.

4 Q DID YOU COMMUNICATE IT TO ANYONE IN ANY FORM,
5 EITHER E-MAIL OR NOTE OR SOMETHING?

6 A NO.

7 Q NOW, LET ME JUST COLLECT THOSE.

8 LET ME DIRECT YOUR ATTENTION NOW TO MARCH
9 26, 2003.

10 ON THAT DATE DID YOU SEND ANOTHER E-MAIL
11 TO MR. JANKOV?

12 A YES.

13 Q AND WHAT E-MAIL ACCOUNT DID YOU USE?

14 A THE SAME ACCOUNT I SENT TO EARLIER.

15 Q THAT'S THE JKLWANG123?

16 A YES.

17 Q AND WHAT DID YOU SAY IN THAT E-MAIL?

18 A THAT "THEY'RE RUNNING OUT OF HOPE. IT'S NOT
19 LIKELY FOR THEM TO GET FUNDING."

20 Q AND WHAT DID YOU MEAN BY "THEY'RE RUNNING OUT
21 OF HOPE"?

22 A THEY'RE GOING TO STOP THIS SICO BUSINESS, SO I
23 WAS VERY RELIEVED AND I WAS HAPPY, AND SO I SENT
24 THIS TO RON AS A CLOSING STATEMENT AND AS I WOULD
25 CLOSE TO MY PREVIOUS STATEMENTS.

1 Q IN THE SECOND SENTENCE, "IT'S NOT LIKELY FOR
2 HIM TO GET FUNDING," WHO WERE YOU REFERRING TO?

3 A LAN LEE.

4 Q LAN LEE. DID YOU TELL YOUR HUSBAND ABOUT THIS
5 E-MAIL?

6 A NO.

7 Q DID YOU -- OTHER THAN SENDING IT TO RON
8 JANKOV, DID YOU COMMUNICATE THIS E-MAIL TO ANYONE
9 ELSE?

10 A NO.

11 Q OKAY. LET ME DIRECT YOUR ATTENTION TO MAY
12 15TH, 2003. SHOWING THE WITNESS 1D.

13 CALL UP 1D, PLEASE.

14 DO YOU SEE THAT, MA'AM?

15 A YES.

16 Q AND DID YOU SEND THAT E-MAIL?

17 A YES.

18 Q ON MARCH 15TH, 2003?

19 A YES.

20 Q DO YOU RECALL WHERE YOU WERE WHEN YOU SENT
21 THAT?

22 A UM, I MIGHT BE AT WORK.

23 Q AND CAN YOU READ THE FIRST PARAGRAPH THAT YOU
24 WROTE.

25 A "LOOKS LIKE LAN FOUND ONE COMPANY IN BEIJING

1 TO PAY SICO (LAN'S COMPANY) TO CO-DEVELOP A NETWORK
2 PROCESSOR IN CHINA. I JUST DON'T WANT TO SEE
3 NETLOGIC'S I.P. BECOME SICO'S I.P. ONE DAY. THE
4 BEIJING COMPANY GAVE THEM A CONTRACT TO SIGN. THEY
5 ARE NEGOTIATING THE TERMS."

6 Q OKAY. THANK YOU.

7 WHERE DID YOU OBTAIN THE INFORMATION
8 ABOUT SICO, ABOUT THE NAME SICO?

9 A FROM MY HUSBAND.

10 Q AND HOW DID YOU OBTAIN IT?

11 A FROM CONVERSATION EARLY ON.

12 Q FROM? EXCUSE ME?

13 A FROM EARLY CONVERSATIONS.

14 Q DID YOU SEE ANY DOCUMENTS REGARDING THAT?

15 A NO.

16 Q THE SENTENCE WHERE YOU SAY "I JUST DON'T WANT
17 TO SEE NETLOGIC'S I.P. BECOME SICO'S I.P. ONE DAY."

18 WHAT DID YOU MEAN BY "I.P."?

19 THE COURT: COULD WE MAKE SURE THAT THE
20 SCREEN SHOWS THE ENTIRE LANGUAGE THAT IS BEING
21 READ? PART OF IT IS CUT OFF.

22 GO AHEAD WITH THE QUESTION.

23 THE WITNESS: INTELLECTUAL PROPERTY.

24 BY MR. PARRELLA:

25 Q OKAY. MA'AM, HOW ARE YOU EMPLOYED AGAIN? HOW

1 ARE YOU EMPLOYED?

2 A HOW?

3 Q YES.

4 A WHAT DO YOU MEAN?

5 Q WHAT IS YOUR TITLE? WHAT IS YOUR POSITION?

6 A COMPONENT DESIGN ENGINEER.

7 Q AND WHAT COMPANY?

8 A INTEL.

9 Q AND DO YOU UTILIZE THE TERM "INTELLECTUAL
10 PROPERTY" IN YOUR BUSINESS LIFE?

11 A NOT OFTEN.

12 Q OKAY. ARE YOU AWARE OF IT?

13 A YES.

14 Q ARE YOU AWARE OF IN GENERAL WHAT THAT REFERS
15 TO, WHAT THE TERM "INTELLECTUAL PROPERTY" REFERS
16 TO?

17 A YES.

18 Q SO WHERE DID YOU GET THE INFORMATION THAT
19 CAUSED YOU TO WRITE "I JUST DON'T WANT TO SEE
20 NETLOGIC'S I.P. BECOME SICO'S I.P. ONE DAY"?

21 A IT'S JUST MY MAKE UP CLAIM TO GET RON'S
22 ATTENTION. I DON'T -- I HAVE ZERO INFORMATION TO
23 BACK UP THIS STATEMENT.

24 Q OKAY. SO LET'S MOVE DOWN TO "FOLLOWING IS A
25 SHORT SUMMARY OF OUR DISCUSSION."

1 DO YOU SEE THAT?

2 A UH-HUH.

3 Q WHAT IS THAT PORTION ON THAT PAGE GOING TO THE
4 NEXT PAGE WHERE IT ENDS "THANKS, LAN."

5 A SAY YOUR QUESTION AGAIN.

6 Q SO THAT PORTION --

7 A YEAH.

8 Q -- WHERE DID YOU GET THAT PORTION FROM?

9 A I DON'T REMEMBER, BUT WE -- MY HUSBAND AND I,
10 WE SHARE ONE COMPUTER AT HOME, AND SOMETIMES IF HE
11 DOESN'T LOG OUT OF HIS E-MAIL ACCOUNT WHEN I LOG
12 IN, I CAN SEE HIS INBOX, HIS E-MAILS.

13 SO MAYBE THAT'S WHAT HAPPENED AND SO I
14 SAW THIS BY ACCIDENT.

15 Q SO YOU THINK THAT YOU SAW THIS FROM YOUR
16 HUSBAND'S E-MAIL?

17 A YES.

18 Q ON YOUR HOME COMPUTER?

19 A YES.

20 Q AND HOW DID IT GET INTO THIS E-MAIL? IN OTHER
21 WORDS, THE E-MAIL THAT YOU SENT TO RON JANKOV ON
22 MAY 15TH, 2003?

23 A I MAYBE COPIED AND SAVED IT.

24 Q UH-HUH. AND THEN PUT IT INTO THE E-MAIL?

25 A YES.

1 Q WHEN YOU READ THE E-MAIL -- EXCUSE ME.
2 WITHDRAWN.

3 WHEN YOU COPIED THAT PORTION OF THE
4 E-MAIL REGARDING THE TERMS OF THE CONTRACT, DID YOU
5 UNDERSTAND WHAT THAT REFERRED TO?

6 A NO. I PROBABLY DIDN'T EVEN READ THROUGH IT.
7 I FOUND MYSELF READING THROUGH IT MANY TIMES NOW
8 AND I STILL DON'T UNDERSTAND THE TERMS FULLY.

9 Q UH-HUH. SO YOU DON'T UNDERSTAND THAT?

10 A NO, AND I DIDN'T READ IT FULLY. I JUST
11 THOUGHT THAT THIS MIGHT BE A PIECE OF EVIDENCE THAT
12 WOULD CATCH RON'S ATTENTION THAT WOULD MAKE HIM
13 TAKE SOME ACTION.

14 Q SO YOU'RE SAYING YOU DIDN'T READ IT BEFORE YOU
15 CUT AND PASTED IT INTO THE E-MAIL?

16 A I DIDN'T READ IT FULLY AND DEFINITELY DIDN'T
17 UNDERSTAND IT.

18 Q CAN YOU READ THE PARAGRAPH IMMEDIATELY BEFORE
19 THAT WHICH STARTS WITH "THE FOLLOWING."

20 A "THE FOLLOWING IS A SHORT SUMMARY WRITTEN BY
21 LAN. PLEASE KEEP THIS HIGHLY CONFIDENTIAL. (DO
22 NOT SHOW IT TO LAN!) OTHERWISE I WON'T BE ABLE TO
23 PROVIDE YOU INFORMATION ANY MORE."

24 Q DID YOU WRITE THAT?

25 A YES.

1 Q AND THAT WASN'T PART OF THE CUT AND PASTE?

2 A RIGHT.

3 Q AND YOU WERE TALKING ABOUT THE SUMMARY THAT
4 YOU SAID YOU HADN'T READ?

5 A YES.

6 Q DID YOU DISCUSS AFTER YOU OBTAINED THIS --
7 WITHDRAWN.

8 WHEN DID YOU SEE -- IF YOU RECALL, WHEN
9 DID YOU SEE THE E-MAIL THAT WAS THE SOURCE OF THAT
10 CUT AND PASTE? IS IT THE SAME DAY AS YOU SENT THE
11 E-MAIL TO RON JANKOV, AN EARLIER DAY?

12 A I THINK SO.

13 Q YOU THINK IT WAS THE SAME DAY?

14 A YES.

15 Q DID YOU DISCUSS IT WITH YOUR HUSBAND?

16 A NO.

17 Q DID YOU COMMUNICATE IN ANY WAY ABOUT THAT?

18 A NO.

19 Q NOW, DID YOU TELL ANYONE THAT YOU WERE THE
20 SOURCE OF THESE E-MAILS AND THESE PHONE CALLS?

21 A NO.

22 Q AND, IN FACT, IT WASN'T UNTIL JUST A FEW
23 MONTHS AGO --

24 THE COURT: JUST A MOMENT. DON'T BE
25 LEADING.

1 BY MR. PARRELLA:

2 Q WELL, LET ME DIRECT YOUR ATTENTION TO A FEW
3 MONTHS AGO, JUNE 2009.

4 A YES.

5 Q DID YOU MAKE A TELEPHONE CALL THEN?

6 A YES.

7 Q AND WHO DID YOU CALL?

8 A THE F.B.I.

9 Q AND WHERE WERE YOU WHEN YOU MADE THAT CALL?

10 A I WAS AT WORK.

11 Q OKAY. AND DO YOU RECALL WHAT YOU SPOKE TO?

12 A NO.

13 Q AND WHAT DID YOU SAY ON THAT PHONE CALL?

14 A I TOLD THEM THAT I DON'T WANT -- I TOLD THEM
15 THAT I SENT THOSE E-MAILS AND MADE THOSE PHONE
16 CALLS.

17 Q THANK YOU.

18 I HAVE NOTHING FURTHER, YOUR HONOR.

19 THE COURT: VERY WELL. ANY

20 CROSS-EXAMINATION?

21 MR. SWANSON: YES, YOUR HONOR.

22 **CROSS-EXAMINATION**

23 BY MR. SWANSON:

24 Q GOOD MORNING, MS. LI.

25 A GOOD MORNING.

1 Q HOW LONG HAVE YOU BEEN MARRIED TO YUEFEI GE?

2 A THIRTEEN YEARS.

3 Q YOU MET AT THE UNIVERSITY?

4 A YES.

5 Q AND WHAT WERE YOU STUDYING THEN?

6 A ELECTRICAL ENGINEERING.

7 Q WHAT WAS HE STUDYING?

8 A ELECTRICAL ENGINEERING.

9 Q AND HAD YOU KNOWN EACH OTHER BEFORE THE
10 UNIVERSITY?

11 A NO.

12 Q THIS WAS IN THE U.S.; IS THAT RIGHT?

13 A YES.

14 Q WHEN DID YOU GET MARRIED?

15 A JUNE 1996.

16 Q AND WHEN DID YOU GRADUATE FROM THE UNIVERSITY?

17 A JUNE 1996.

18 Q SO WHAT HAPPENED AFTER YOU GRADUATED?

19 A I CAME TO SACRAMENTO TO WORK FOR INTEL.

20 Q AND HOW ABOUT YUEFEI?

21 A HE STAYED AT THE UNIVERSITY TO FINISH HIS
22 MASTER'S DEGREE.

23 Q AND WHEN DID HE GRADUATE?

24 A I BELIEVE DECEMBER '97.

25 Q A YEAR AND A HALF LATER, OR LATER THE SAME

1 YEAR AS YOU WERE GRADUATING?

2 A OH, SORRY. IT WAS DECEMBER OF '96. SIX
3 MONTHS LATER.

4 Q AND WHAT HAPPENED AFTER YOU GRADUATED? DID
5 YOU GUYS GET TOGETHER? DID YOU -- DID HE MOVE OUT
6 TO CALIFORNIA WITH YOU?

7 A NO. HE WENT TO WORK FOR SUN IN THE BAY AREA,
8 SO WE LIVE IN TWO APARTMENTS AND I AM IN SACRAMENTO
9 AND HE'S HERE AND HE COMMUTES DURING THE WEEKEND OR
10 I COMMUTE HERE.

11 Q HOW LONG DID THAT ARRANGEMENT GO ON WHILE YOU
12 WERE WORKING IN SACRAMENTO AND YUEFEI WAS WORKING
13 HERE?

14 A SEVEN MONTHS.

15 Q AND WHY DID THAT EVENTUALLY CHANGE?

16 A I WAS PREGNANT IN MARCH OF '97, SO I THOUGHT
17 IT WOULD BE GOOD TO LIVE TOGETHER, SO I TRANSFERRED
18 TO SANTA CLARA INTEL.

19 Q YOU WERE PREGNANT WITH THE CHILD WHO IS NOW
20 YOUR SON; IS THAT RIGHT?

21 A YES.

22 Q AND THE FAMILY NOW IS THE THREE OF YOU, YOU,
23 YUEFEI AND YOUR SON?

24 A YES.

25 Q WHO IN YOUR HOUSEHOLD HAS THE PRIMARY

1 RESPONSIBILITY FOR TAKING CARE OF THE HOUSEHOLD
2 BETWEEN YOU AND YUEFEI?

3 A WE SHARE THE RESPONSIBILITY.

4 Q WHICH OF THE TWO OF YOU WOULD YOU SAY HAVE THE
5 PRIMARY RESPONSIBILITY FOR TAKING CARE OF YOUR SON?

6 A I DO MAYBE A LITTLE BIT MORE, MAYBE 55
7 PERCENT. HE DOES 45 PERCENT.

8 BUT DEPENDING ON THE WORKLOAD.
9 SOMETIMES, YOU KNOW, WHEN I NEED TO WORK DURING THE
10 WEEKENDS OR WHEN MY WORKLOAD IS HEAVY, HE MAY TAKE
11 MORE THAN HALF OF THE RESPONSIBILITY.

12 Q YOU BOTH WORK FULL-TIME?

13 A YES.

14 Q DID THERE COME A TIME WHEN YUEFEI TOLD YOU
15 THAT HE WANTED TO LEAVE SUN MICROSYSTEMS?

16 A YES.

17 Q AND WHAT DID HE TELL YOU, IF YOU RECALL?

18 MR. PARRELLA: OBJECTION, YOUR HONOR.
19 THIS IS HEARSAY.

20 THE COURT: WHAT IS YOUR PURPOSE?

21 MR. SWANSON: THE PURPOSE IS TO DISCUSS
22 WITH THIS WITNESS HER REACTION TO HIS PLANS TO
23 LEAVE SUN.

24 THE COURT: ASK HER THAT.

25 MR. SWANSON: OKAY.

1 Q WHEN YOU LEARNED THAT YUEFEI WAS PLANNING TO
2 LEAVE SUN, DID YOU UNDERSTAND HE WAS GOING TO --
3 THINKING OF GOING TO NETLOGIC?

4 A NO. HE WAS CHOOSING SOME -- AMONG SEVERAL
5 COMPANIES, HE GOT -- HE WENT TO INTERVIEW AT
6 SEVERAL COMPANIES AND GOT SEVERAL OFFERS, AND WHEN
7 HE WAS DISCUSSING WITH ME SO I WAS CONCERNED, LIKE
8 I SAID EARLIER, OF OUR RESPONSIBILITY TO TAKE CARE
9 OF OUR SON IS DEPENDING ON THE WORKLOAD.

10 SO I WAS CONCERNED IF HE GETS HEAVIER
11 WORKLOAD, THEN MAYBE IT'S HARD FOR US TO HANDLE
12 THIS FAMILY.

13 SO HE MENTIONED ONE OTHER COMPANY AND IT
14 REQUIRED HIM TO WORK DURING WEEKENDS AND LONG
15 HOURS.

16 SO I ACTUALLY PERSUADED HIM TO TAKE
17 NETLOGIC'S OFFER BECAUSE OF THE OTHER COMPANY'S
18 HEAVY WORKLOAD.

19 Q WERE -- DID YOU PREFER THAT HE STAY AT SUN
20 THAN GO TO A NEW COMPANY?

21 A YES, I PREFER HE STAYED AT SUN.

22 Q AND DID YOU TELL HIM THAT?

23 A YES.

24 Q AND WHY DID YOU WANT HIM TO STAY AT SUN AND
25 NOT GO TO A NEW COMPANY?

1 A BECAUSE I DON'T WANT TO HANDLE TOO MUCH
2 PRESSURE, TOO MUCH STRESS IN THE FAMILY.

3 Q DID YOU HAVE ANY CONCERNS ABOUT HIM LEAVING AN
4 ESTABLISHED COMPANY LIKE SUN AND GOING TO WHAT WAS
5 THEN SOMETHING OF A START-UP, NETLOGIC?

6 A I WAS A LITTLE CONCERNED, BUT I STILL THINK
7 THAT'S A REASONABLE MOVE FOR HIM, SO I DIDN'T
8 OBJECT TOO MUCH.

9 Q DID YOU LEARN AT SOME TIME THAT HE WAS ALSO
10 THINKING OF STARTING HIS OWN COMPANY?

11 A YES.

12 Q AND THE NAME OF THAT COMPANY WAS SICO; IS THAT
13 RIGHT?

14 A YES.

15 Q AND HOW DID YOU LEARN THAT HE WAS INTERESTED
16 IN STARTING HIS OWN COMPANY?

17 A HE WAS TALKING -- I DON'T REMEMBER THE
18 CONVERSATIONS AND THAT HE WAS MENTIONING THIS FROM.

19 IN THE BEGINNING I THOUGHT IT WAS JUST,
20 YOU KNOW, A CASUAL THING. IT WAS JUST A CASUAL
21 THOUGHT HE WOULD COMMENT ON.

22 Q WHAT DID YOU KNOW ABOUT THIS COMPANY WHEN HE
23 FIRST STARTED TALKING ABOUT IT?

24 THE COURT: I'M SORRY. WHAT DID SHE KNOW
25 WHEN HE STARTED AS THOUGH IT CAME FROM SOME OTHER

1 SOURCE, OR WHAT DID HE SAY?

2 I'M NOT SURE WHETHER I UNDERSTAND THE
3 QUESTION AS TO CALLING FOR A PRECONVERSATION
4 KNOWLEDGE OR WHAT WAS SAID IN THE CONVERSATION.

5 MR. SWANSON: LET ME CLARIFY. THANK YOU,
6 YOUR HONOR.

7 Q BASED ON YOUR CONVERSATIONS WITH YUEFEI, WHAT
8 DID YOU UNDERSTAND TO BE THE NATURE OF THIS
9 BUSINESS THAT HE WAS THINKING OF STARTING?

10 A I DON'T RECALL. I DIDN'T UNDERSTAND.

11 Q YOU UNDERSTOOD IT WAS GOING TO BE IN THE
12 COMMUTER CHIP DESIGN FIELD IN SOME WAY?

13 A YES.

14 Q AND DID YOU KNOW OF ANYONE ELSE WHO HE WAS
15 TALKING TO ABOUT STARTING THAT COMPANY?

16 A XIAODONG YANG AND LAN LEE.

17 Q AND WHO IS XIAODONG YANG?

18 A THAT'S HIS CLASSMATE IN COLLEGE.

19 Q DO YOU KNOW XIAODONG YANG?

20 A NOT PERSONALLY.

21 Q HAVE YOU MET HIM?

22 A I GUESS SO. ONCE MAYBE.

23 Q AND WHO IS LAN LEE?

24 A THAT'S HIS COWORKER AT SUN.

25 Q AND DID YOU KNOW LAN LEE? I'M TALKING NOW

1 BACK AT THE TIME WHEN YOU FIRST STARTED HEARING
2 ABOUT SICO.

3 A YES, BUT NOT VERY WELL.

4 Q WHEN YUEFEI WAS TALKING TO YOU ABOUT WANTING
5 TO START SICO, DID HE SEEM TO BE SECRETIVE ABOUT IT
6 TO YOU?

7 MR. PARRELLA: OBJECTION, YOUR HONOR.

8 THE COURT: OVERRULED.

9 THE WITNESS: NO, HE WASN'T.

10 BUT WE IN OUR MARRIAGE, SOMEWHERE DOWN
11 THE ROAD WE STOPPED OPEN COMMUNICATION AND I
12 STOPPED PAYING ATTENTION TO THE DETAILS OF WHAT HE
13 WAS DOING AND HE STOPPED TELLING ME DETAILS.

14 SO IT'S NOT ABOUT SECRETIVE. IT'S JUST
15 ABOUT WE DON'T KNOW EACH OTHER'S WORLD ANYMORE.

16 BY MR. SWANSON:

17 Q WHEN DID THAT START TO HAPPEN IN YOUR
18 MARRIAGE?

19 A BEFORE THE SECRECY.

20 Q WAS THERE ANYTHING HE DID IN THE WAY HE TALKED
21 TO YOU ABOUT THIS OR HANDLED ANY MATERIAL INVOLVED
22 IN SICO THAT MADE YOU THINK THAT HE WAS BEING
23 SECRETIVE ABOUT IT?

24 A NO.

25 Q WHEN HE FIRST STARTED TALKING ABOUT IT, WHAT

1 WAS YOUR REACTION TO IT? WHEN I SAY "IT" I MEAN
2 HIM STARTING A BUSINESS OF HIS OWN.

3 A UM, I DON'T LIKE THAT IDEA.

4 Q AND WHY DIDN'T YOU LIKE THE IDEA?

5 A I DON'T WANT THE STRESS TO BE PUT ON THE
6 FAMILY.

7 Q WHAT WAS THE STRESS THAT YOU WERE CONCERNED
8 ABOUT?

9 A I WILL BE THE PRIMARY OR THE WHOLE CARETAKER
10 OF MY SON AND THE WHOLE FAMILY.

11 Q AND WHY WOULD HIM STARTING A NEW COMPANY MAKE
12 YOU THE SOLE CARETAKER OF YOUR SON AND YOUR FAMILY?

13 A TWO JOBS IS ALREADY VERY STRESSFUL FOR THIS
14 FAMILY. WE BARELY HAVE ANY LEISURE TIME AT THE
15 MOMENT, AND I JUST CAN'T IMAGINE ADDING A THIRD JOB
16 OR ADDING A BUSINESS WILL HELP.

17 Q DID YOU TRY TO TALK YUEFEI OUT OF IT? I'M
18 TALKING ABOUT IN THESE EARLY STAGES WHEN HE FIRST
19 BEGAN RAISING WITH YOU THE IDEA OF STARTING THIS
20 COMPANY.

21 A YES.

22 Q AND WHAT DID YOU SAY TO HIM?

23 A I SAID THIS IS NOT WORKING. MY SON HAD ASTHMA
24 AND HE'S A -- HE GETS SICK VERY OFTEN DURING THE
25 FLU SEASON. HE GETS SICK EVERY MONTH, AND DURING

1 THE TIME HE GETS SICK FOR ONE WEEK, SO ONE OF US
2 NEED TO TAKE TIME OFF.

3 HE WAS IN PRESCHOOL, SO YOU CANNOT SEND A
4 SICK CHILD TO PRESCHOOL. ONE OF US NEED TO TAKE
5 ONE WEEK OFF DURING ONE MONTH FOR MORE LIKE SIX
6 MONTHS IN THE YEAR.

7 AND HE HAS ASTHMA DURING THE YEAR, AND
8 WHEN HE IS BREATHING DURING THE NIGHT HE WHEEZES
9 AND WE NEED TO TAKE HIM TO THE EMERGENCY ROOM AND
10 THAT'S ALL NIGHT WAITING THERE AND IT'S JUST VERY
11 STRESSFUL.

12 WHEN MY WORKLOAD GETS HEAVY AND MY JOB IS
13 PENDING AND I JUST CAN'T TAKE IT.

14 AND I TOLD HIM, THIS IS NOT WORKING. IF
15 YOU WANT TO DO THIS, LET ME QUIT MY JOB. OUR
16 FAMILY CAN ONLY HANDLE TWO JOBS. LET ME QUIT MY
17 JOB AND SUPPORT YOU FULLY. I TAKE CARE OF THE
18 FAMILY.

19 Q AND WHAT DID YUEFEI SAY TO THAT?

20 A HE SAID, NO, YOU KEEP YOUR JOB.

21 Q DURING THIS EARLY TIME, THIS -- LET'S JUST SET
22 THE TIME PERIOD HERE.

23 DO YOU RECALL THAT YUEFEI STARTED WITH
24 NETLOGIC AROUND FEBRUARY OF 2002?

25 A UH-HUH.

1 Q AND DO YOU --

2 THE COURT: YOU HAVE TO ANSWER YES OR NO.

3 THE WITNESS: YES.

4 BY MR. SWANSON:

5 Q AND DO YOU REMEMBER YOUR PARENTS LIVING WITH
6 YOU AND YUEFEI AND YOUR SON DURING THIS TIME?

7 A YES.

8 Q AND WHERE DO YOUR PARENTS LIVE USUALLY?

9 A USUALLY THEY LIVE IN CHINA AND THEY VISIT US
10 WITH A VISA, SO THEY STAY SOMETIMES FOR SIX MONTHS,
11 AND SOMETIMES IF THEY GET AN EXTENSION, THEY STAY A
12 LITTLE LONGER.

13 Q DO YOU RECALL HOW LONG THEY WERE STAYING WITH
14 YOU AND YOUR FAMILY IN 2002?

15 A I DON'T REMEMBER. IT'S EITHER SIX MONTHS OR A
16 FEW MONTHS LONGER.

17 Q AND DO YOU REMEMBER TALKING TO YOUR PARENTS
18 ABOUT YOUR CONCERNS ABOUT YUEFEI STARTING A NEW
19 BUSINESS?

20 A YES.

21 Q AND WHAT DID YOU SAY TO THEM?

22 A I DON'T EVEN REMEMBER, BUT I THINK THEY
23 SUPPORTED ME.

24 AND THEY ALSO SEE ME, YOU KNOW --

25 THE COURT: WELL, YOU WERE ASKED WHAT YOU

1 SAID TO THEM. YOU'RE NOW TELLING US WHAT THEY SAID
2 TO YOU.

3 THE WITNESS: OH, OKAY.

4 I DON'T REMEMBER WHAT I SAID TO THEM.

5 BY MR. SWANSON:

6 Q OKAY. WHAT WAS YOUR REACTION TO YOUR SPEAKING
7 TO THEM ABOUT YUEFEI STARTING A BUSINESS?

8 A THEY TALKED TO YUEFEI. THEY WERE TRYING TO
9 TALK HIM OUT OF IT.

10 Q AND WERE YOU PRESENT WHEN YOUR PARENTS TRIED
11 TO TALK YUEFEI OUT OF STARTING THIS BUSINESS? DID
12 YOU HEAR THEM HAVE THAT CONVERSATION?

13 A NO, BUT I KNOW THE RESULT.

14 Q AND HOW DO YOU KNOW THE RESULT?

15 A I THINK MY PARENTS TOLD ME.

16 Q AND WAS THE RESULT POSITIVE? DID THEY SUCCEED
17 IN TALKING YUEFEI OUT OF STARTING A BUSINESS?

18 A NO.

19 Q YOUR PARENTS LEFT AT THE END OF THAT TRIP
20 AROUND MAY OR JUNE OF 2002; IS THAT RIGHT?

21 A YES.

22 Q AND THEY WENT BACK TO CHINA?

23 A YES.

24 Q AND I ASSUME THAT WHILE THEY HAD BEEN AROUND,
25 THEY HAD BEEN A PRETTY BIG HELP OF HELPING YOU TAKE

1 CARE OF THE HOUSE AND TAKING CARE OF YOUR SON; IS
2 THAT RIGHT?

3 A YES. YES.

4 Q AND SO IN THE SUMMER OF 2002 AFTER YOUR
5 PARENTS LEFT, DID THERE COME A TIME WHERE YUEFEI
6 BEGAN TO SPEND MORE TIME ON THIS BUSINESS PROJECT?

7 A YES.

8 Q AND WHAT DID THAT MEAN FOR YOU? WHAT -- IN
9 TERMS OF YUEFEI'S ABILITY TO HELP OUT NOW THAT YOUR
10 PARENTS WERE GONE?

11 A YES. SO MY PARENTS WERE GONE AND THEY WERE
12 HELPING ME COOKING AND BABY-SITTING, SO NOW I DO IT
13 ON WHATEVER DAY THEY WERE -- I TAKE THAT SHARE OF
14 THE LOAD, AND ALSO IT WAS YUEFEI BEING AWAY MORE
15 AND I TOOK HIS SHARE OF THE LOAD.

16 Q HOW DID YOU FEEL ABOUT THAT?

17 A VERY STRESSFUL.

18 Q DID YOU HAVE CONVERSATIONS WITH YUEFEI ABOUT
19 WHAT IT MIGHT MEAN FOR THE FAMILY FINANCIALLY IF HE
20 STARTED THIS NEW BUSINESS?

21 LET ME -- DID YUEFEI TALK TO YOU ABOUT
22 HOW LONG IT MIGHT TAKE FOR A NEW BUSINESS TO BE
23 PROFITABLE AND BRING MONEY INTO THE HOUSEHOLD?

24 A NO, AT LEAST NOT IN THE NEAR HORIZON. HE WAS
25 TELLING ME ONCE THAT HE WON'T TAKE SALARY FROM THIS

1 COMPANY, SO HE WON'T BRING ANY INCOME FROM THIS
2 COMPANY.

3 AND ALSO HE WAS TELLING ME IF THIS GETS
4 TOO BUSY, HE WILL QUIT THE NETLOGIC JOB, AND SO
5 THAT MEANS HE WON'T BRING ANY INCOME TO THE FAMILY.

6 Q AND WHAT WAS YOUR REACTION TO THAT?

7 A THIS MAKES ME MORE STRESSFUL WITH ADDING TO
8 THE WORKLOAD STRESS AND WITH THIS FINANCIAL STRESS.

9 Q DID YOU AT SOME POINT LEARN THAT SOME MONEY
10 WAS ALREADY BEING SPENT BY YUEFEI IN CONNECTION
11 WITH THIS NEW BUSINESS?

12 A YES.

13 Q AND HOW DID YOU LEARN THAT?

14 A FROM BANK STATEMENT.

15 Q DO YOU HAVE A SHARED BANK ACCOUNT?

16 A YES.

17 Q AND DID YOU SEE THAT MONEY HAD BEEN SPENT ON
18 PROJECTS CONNECTED TO LAN?

19 A YES.

20 Q AND, FOR EXAMPLE, PHONE CARDS TO CALL CHINA?

21 A YES.

22 Q AND A PLANE TICKET TO CHINA?

23 A YES.

24 Q AND DID YOU TALK TO YUEFEI ABOUT THAT?

25 A YES, I FELT UPSET. I DIDN'T GET INFORMED

1 BEFORE AND LAN IS SPENDING OUR MONEY.

2 Q WHAT DID YUEFEI SAY ABOUT THAT?

3 A HE JUST SAID OH.

4 AND I SAID, WHAT HAPPENED TO THIS? WHAT
5 HAPPENED TO THIS CALLING CARD?

6 I JUST GIVE IT TO LAN. I GIVE IT TO HIM.

7 Q AND WHAT WAS YOUR REACTION TO THAT?

8 A I FELT UPSET.

9 Q AT SOME POINT DID YUEFEI MENTION TO YOU THE
10 POSSIBILITY OF TAKING OUT AN EQUITY LOAN AGAINST
11 THE HOUSE TO HELP OUT WITH THIS NEW BUSINESS?

12 A YES.

13 Q AND WHAT WAS YOUR REACTION TO THAT?

14 A AS THE ONE ALWAYS TRYING TO, YOU KNOW, PAY OFF
15 THE LOAN AND BRING DOWN THE LOAN AMOUNT AND HE
16 SEEMS LIKE HE DOESN'T CARE AND HE JUST WANTS, YOU
17 KNOW, USE OUR ONLY SAVINGS.

18 IT'S NOT EVEN OUR SAVINGS. IT'S THE
19 BANK'S MONEY.

20 USE HIS ONLY RESOURCE, YOU KNOW, TO DO
21 WHATEVER HE WANTS.

22 Q AND SO WHAT DID YOU SAY TO YUEFEI WHEN HE
23 PROPOSED TAKING OUT AN EQUITY LOAN AGAINST THE
24 HOUSE?

25 A I STRONGLY AGAINST IT.

1 Q DO YOU RECALL THIS CONVERSATION HAPPENING
2 ABOUT THE EQUITY LOAN IN THE SUMMER OF 2002?

3 A IT CAME UP SEVERAL TIMES. IT CAME UP ABOUT
4 LIKE EITHER FUNDING, OR IT CAME UP LIKE WHEN I SAID
5 EARLIER HE MIGHT NOT BRING ANY INCOME TO THE
6 FAMILY.

7 SO I'M CONCERNED THAT MY ONE INCOME WON'T
8 BE ABLE TO SUPPORT THE FAMILY, SO HE SAID, OKAY,
9 YOU KNOW, WHY NOT AND TAKING THE EQUITY LOAN?

10 Q SO AT THIS POINT WITH ALL OF THE THINGS THAT
11 YOU TALKED ABOUT HAPPENING --

12 A UH-HUH.

13 Q -- HOW DID YOU FEEL ABOUT YUEFEI STARTING A
14 BUSINESS?

15 A I FELT LIKE HE MAY BE BRAINWASHED BY LAN BY
16 THIS CRAZY THING AND HE'S JUST NOT BEING REALISTIC
17 AND THINKING ABOUT OUR OWN FINANCIAL SITUATION AND
18 OUR OWN FAMILY LOAD.

19 Q DID YOU FEEL AT THAT POINT THAT YOU WERE GOING
20 TO BE ABLE TO PERSUADE YUEFEI NOT TO GO AHEAD?

21 AND AT THAT POINT I'M GOING TO SAY
22 SEPTEMBER 2002, BEFORE YOU WROTE THE FIRST E-MAIL?

23 A I KNEW HIM TOO WELL, YOU KNOW. I DON'T THINK
24 THAT I HAVE THE ABILITY, THE PERSUASION POWER TO
25 TALK HIM OUT OF THIS. HE'S ALREADY SO ENTHUSIASTIC

1 ABOUT IT.

2 Q SO AT THIS POINT YOU WROTE THE FIRST E-MAIL TO
3 MR. JANKOV; IS THAT RIGHT?

4 A YES, I WAS DESPERATE. I WAS HOPING SOMEONE
5 ELSE, YOU KNOW, CAN COME INTO THIS AND DO SOMETHING
6 TO STOP IT BECAUSE I DON'T HAVE THE POWER TO STOP
7 IT.

8 Q CAN YOU PUT THAT UP ON THE SCREEN? I THINK
9 IT'S EXHIBIT 1A.

10 DO YOU HAVE THAT IN FRONT OF YOU?

11 A YES.

12 Q OKAY. IS THIS THE FIRST E-MAIL THAT YOU SENT
13 TO MR. JANKOV?

14 A YES.

15 Q EXHIBIT 1A?

16 A YES.

17 Q IN THE E-MAIL YOU SAY "ONE OF YOUR EMPLOYEES
18 IS ACTIVELY LOOKING FOR WAYS TO START HIS OWN
19 COMPANY IN THE SAME FIELD. HE MIGHT RECRUIT PEOPLE
20 FROM YOUR COMPANY TOO. NAME IS LAN LEE. BE
21 CAREFUL."

22 IS THAT RIGHT? IS THAT WHAT YOU WROTE?

23 A YES.

24 Q AND WHY DID YOU WRITE TO MR. JANKOV THAT FIRST
25 SENTENCE THAT "ONE OF YOUR EMPLOYEES IS ACTIVELY

1 LOOKING FOR WAYS TO START HIS OWN COMPANY IN THE
2 SAME FIELD"?

3 A I NEED TO HIDE MY OWN AGENDA OR MY FAMILY
4 ISSUE, BECAUSE I DON'T THINK RON IS A FAMILY PERSON
5 AND RON IS, YOU KNOW, WOULD BE OF ANY INTEREST OF
6 WHAT IS HAPPENING IN OUR FAMILY.

7 SO I'M TRYING TO -- THIS IS THE ANGLE I
8 CAME UP WITH TO GET HIS ATTENTION.

9 Q AND WHAT DO YOU MEAN WHEN YOU SAY "THIS IS THE
10 ANGLE" THAT YOU CAME UP WITH TO GET HIS ATTENTION?

11 A I NEED TO SAY SOMETHING THAT CAN MAKE HIM
12 INTERESTED, THAT I CAN MAKE HIM TO TAKE SOME ACTION
13 TO STOP THIS.

14 Q AND YOU WERE THINKING THAT IF YOU TOLD HIM
15 THAT SOMEONE WAS THINKING OF STARTING A COMPANY IN
16 THE SAME FIELD, THAT MIGHT CAUSE HIM TO DO
17 SOMETHING?

18 A YES, ACTUALLY I -- MY KEY INFORMATION IS IN
19 THE SECOND SENTENCE, RECRUIT. SO ALL I CARE IS,
20 YOU KNOW, IF LAN DOESN'T RECRUIT MY HUSBAND, YOU
21 KNOW, I DON'T CARE WHAT HE MUST DO.

22 Q AND WHAT WAS YOUR HOPE THAT MR. JANKOV WOULD
23 DO WHEN HE GOT THIS E-MAIL? WHAT WAS YOUR
24 INTENTION?

25 A HE CAN TALK TO LAN AND SAY, OKAY, YOU KNOW,

1 YOU DON'T RECRUIT PEOPLE FROM MY COMPANY.

2 Q AND WHAT WOULD THAT MEAN THEN FOR YUEFEI AND
3 HIS BUSINESS?

4 A THEN, YOU KNOW, MAYBE LAN WILL EXCUSE HIM.

5 Q AND WHY DID YOU NOT MENTION YUEFEI IN YOUR
6 E-MAIL TO MR. JANKOV?

7 A I DIDN'T WANT HIM TO GET IN ANY TROUBLE.

8 Q HOW ABOUT LAN GETTING IN TROUBLE?

9 A I DIDN'T WANT LAN TO GET IN TROUBLE, EITHER,
10 BUT I HAVE TO PUT SOMETHING DOWN HERE, OTHERWISE
11 IT'S OPEN FOR RON. HE CANNOT FIND ANY PLACE TO
12 START. I NEED TO GIVE HIM SOME LEAD FOR HIM TO
13 TAKE ACTION.

14 Q WHAT HAPPENED, AS FAR AS YOU KNEW, IN RESPONSE
15 TO YOUR SENDING THIS E-MAIL TO MR. JANKOV? WHAT,
16 IF ANYTHING, HAPPENED AT NETLOGIC IN RESPONSE?

17 THE COURT: WELL, YOU NEED TO LAY A
18 BETTER FOUNDATION AS TO THE SOURCE OF HER KNOWLEDGE
19 IF YOU'RE NOW ASKING HER WHAT HAPPENED IN THE
20 COMPANY.

21 I'M NOT CERTAIN WHERE YOUR QUESTION IS
22 GOING.

23 MR. SWANSON: LET ME BE CLEAR.

24 Q DID ANYTHING HAPPEN THAT YOU WERE AWARE OF AT
25 NETLOGIC IN RESPONSE TO THIS?

1 A NO. IF I KNEW ANYTHING, I WOULD -- THE REST
2 OF THE STORY WOULD HAPPEN.

3 Q AND SO YOU WERE NOT AWARE OF ANY ACTION BEING
4 TAKEN AT NETLOGIC, IF ANY WAS, IN RESPONSE TO YOUR
5 SENDING THIS SEPTEMBER E-MAIL; IS THAT RIGHT?

6 A YES.

7 Q AND SO WHAT DID YOU DO NEXT? YOU SENT A
8 SECOND E-MAIL?

9 A YES.

10 Q OKAY. LET'S -- IF WE COULD PUT UP EXHIBIT 1B.
11 DO YOU SEE EXHIBIT 1B IN FRONT OF YOU?

12 A YES.

13 Q AND THIS IS AN E-MAIL DATED DECEMBER 2ND, 2002
14 THAT SAYS "HE WAS IN CHINA TALKING TO V.C.'S THIS
15 PAST WEEKEND."

16 DID YOU WRITE THAT E-MAIL?

17 A YES.

18 Q AND BY "HE" YOU MEANT LAN LEE?

19 A YES.

20 Q AND THIS WAS ADDED TO THE CHAIN OF E-MAILS
21 THAT STARTED WITH YOUR SEPTEMBER E-MAIL?

22 A YES. HE WAS ASKING ME, CAN YOU GIVE ME MORE
23 DETAILS? YOU KNOW.

24 SO I DON'T HAVE ANY DETAILS UNTIL I THINK
25 DECEMBER. THAT'S PROBABLY WHEN I SAW THE BANK

1 STATEMENT, AND SO I SENT THIS.

2 Q YOU SAW A BANK STATEMENT AND SAY YOU SPOKE
3 WITH YUEFEI AND YOU LEARNED THAT HE HAD SPENT MORE
4 MONEY ON A TRIP FOR LAN TO GO TO CHINA; IS THAT
5 RIGHT?

6 A YES.

7 Q IS THAT WHAT PROMPTED YOU TO SEND THIS SECOND
8 E-MAIL IN DECEMBER?

9 A YES. I WAS WAITING FOR RON TO TAKE SOME
10 ACTION AND BUT HIS SECOND -- BUT HIS FIRST REPLY I
11 THINK HE WAS WAITING FOR ME TO PROVIDE HIM MORE
12 DETAILS TO TAKE ACTION SO THAT'S THE FIRST DETAIL I
13 OBTAINED.

14 SO I THOUGHT MAYBE WITH THIS, HE WOULD
15 TAKE SOME ACTION TO STOP.

16 Q AGAIN, THERE'S NO MENTION OF YUEFEI IN YOUR
17 SECOND E-MAIL, WHY IS THAT?

18 A THE SAME REASON, I DON'T WANT HIM TO GET INTO
19 TROUBLE.

20 Q AFTER YOU SENT THIS E-MAIL IN DECEMBER, EARLY
21 JANUARY, DID YOU GET ANY RESPONSE FROM RON JANKOV?

22 A NO.

23 Q DID ANYTHING HAPPEN THAT YOU WERE AWARE OF AT
24 WORK, AT NETLOGIC, THAT LED YOU TO THINK THAT RON
25 JANKOV HAD TAKEN ANY ACTION?

1 A NO.

2 Q IN JANUARY YOU THEN CALLED THE F.B.I.; IS THAT
3 RIGHT?

4 A YES.

5 Q AND THE -- WERE YOU SAYING THE FIRST TIME THAT
6 YOU LEFT A MESSAGE?

7 A YES. IT'S A RECORDING.

8 Q AND IN THAT RECORDING YOU TOLD THE F.B.I. THAT
9 THERE MIGHT BE SOME TRANSFER OF TECHNOLOGY. I
10 UNDERSTAND IT'S NOT MAYBE THE WORDS YOU USED.

11 A NO, NO.

12 Q BUT SOME PASSING OF INFORMATION TO CHINA?

13 A YES, BUT I DON'T RECALL.

14 Q YOU DON'T RECALL THE EXACT WORDS, BUT DO YOU
15 RECALL LETTING THEM KNOW THAT THERE MIGHT BE SOME
16 PASSING OF INFORMATION OR TECHNOLOGY TO CHINA?

17 A YES.

18 Q WHY DID YOU SAY THAT TO THE F.B.I.? WHY DID
19 YOU RAISE THE ISSUE OF THE POSSIBILITY OF
20 TECHNOLOGY GOING TO CHINA WITH THE F.B.I.?

21 A BECAUSE IT'S THE SAME REASON I E-MAILED RON.
22 SO THIS IS -- IF MY ANGLE WAS WRONG STARTING THIS
23 COMPANY IN THE SAME FIELD, THEN FOR F.B.I., THIS IS
24 THE ANGLE I CAME UP WITH TO GRAB THEIR INTEREST.

25 AND ALSO FROM THE LACK OF ACTION FROM

1 RON, THAT SOMEWHAT TELLS ME THAT THIS THING IS NOT,
2 YOU KNOW, IN THE SAME FIELD OR IS NOT I.P. STEALING
3 BECAUSE RON SEEMS LIKE HE'S NOT INTERESTED. HE
4 DIDN'T TAKE ANY ACTION SO I THOUGHT MAYBE TO GET
5 F.B.I.'S INTEREST, MAYBE I SHOULD MENTION THE
6 ACROSS COUNTRY AS THE SAME THING I DID WITH RON.

7 Q WELL, WITH RON YOU NEVER MENTIONED ANYTHING
8 ABOUT TECHNOLOGY GOING TO CHINA; RIGHT?

9 A RIGHT. BECAUSE I ONLY NEED TO COME UP WITH,
10 YOU KNOW, SOME MINIMUM ANGLE, YOU KNOW, TO GET
11 THEIR INTEREST. AND FOR RON I THOUGHT, YOU KNOW,
12 THE SAME FIELD WILL GET HIS ATTENTION, BUT MAYBE
13 THAT FAILED.

14 Q SO THE REASON THAT YOU WROTE OR I SHOULD -- OR
15 THE REASON YOU CALLED THE F.B.I. AND SAID THAT
16 MAYBE THERE'S SOME TECHNOLOGY GOING TO CHINA WAS
17 BECAUSE YOU THOUGHT THAT MIGHT GET THE F.B.I.'S
18 ATTENTION?

19 A RIGHT.

20 Q AS OPPOSED TO SOMEONE STARTING A BUSINESS THAT
21 WOULD BE COMPETING WITH NETLOGIC, DID YOU THINK
22 THAT WOULDN'T GET THEIR ATTENTION?

23 A IF THAT DIDN'T GET RON'S ATTENTION, I DON'T
24 THINK THAT WILL GET THE F.B.I.'S ATTENTION.

25 Q WHY DID YOU CALL THE F.B.I.?

1 A AGAIN, I SAID SO I THOUGHT RON WAS WAITING FOR
2 ME TO PROVIDE MORE DETAIL SO I DID. AND I STILL
3 DIDN'T HEAR FROM HIM.

4 SO I, I JUST GAVE UP ON RON.

5 Q AND BUT WHY THE F.B.I.?

6 A I DON'T KNOW. IT'S JUST MAYBE WHEN I WAS
7 SEARCHING ON THEIR WEB SITE, MAYBE IT'S EASIER TO
8 NAVIGATE THAN THE POLICE WEB SITE OR MAYBE THEY
9 HAVE THE, YOU KNOW, THE CONVENIENT PHONE LINE,
10 REPORTING LINE OR CONVENIENT ANONYMOUS E-MAIL OR
11 WHATEVER.

12 Q AND DO YOU RECALL WHY YOU PICKED THEM RATHER
13 THAN SOMEONE ELSE?

14 A NO, I DON'T RECALL.

15 Q NOW, WHEN YOU CALLED THE F.B.I. AND TOLD THEM
16 ON TWO OCCASIONS -- LET ME JUST BE CLEAR, YOU
17 CALLED THEM TWICE; RIGHT?

18 A RIGHT.

19 Q AND BOTH TIMES YOU SAID SOMETHING ABOUT
20 TECHNOLOGY, POSSIBLE TECHNOLOGY TRANSFER TO CHINA;
21 IS THAT RIGHT?

22 A YES, YES.

23 Q WHEN YOU MADE THOSE CALLS, DID YOU HAVE ANY
24 INFORMATION --

25 A NO.

1 Q -- HOLD ON. DID YOU HAVE ANY INFORMATION THAT
2 YUEFEI OR LAN LEE WERE PLANNING TO TRANSFER ANY
3 TECHNOLOGY TO CHINA?

4 A NO.

5 Q HAD YOU SEEN ANY DOCUMENTS THAT LED YOU TO
6 BELIEVE THAT LAN LEE AND YUEFEI GE WERE PLANNING TO
7 TRANSFER TECHNOLOGY TO CHINA?

8 A NO. IF I HAD, I WOULD HAVE SUBMITTED IT
9 EITHER TO RON, YOU KNOW, TO HAVE HIM -- HELP HIM
10 BELIEVE ME OR SUBMITTED IT TO THE F.B.I. AND HELP
11 THEM EXPEDITE.

12 Q AND YOU WOULD HAVE SUBMITTED THOSE TO THE
13 F.B.I., INFORMATION IF YOU HAD IT --

14 A YES.

15 Q -- ABOUT TRANSFERRING INFORMATION TO CHINA,
16 EVEN IF IT INVOLVED YOUR HUSBAND?

17 THE COURT: WELL, THAT'S TOO SPECULATIVE.

18 MR. SWANSON: FAIR ENOUGH.

19 Q I UNDERSTAND YOU SAID YOU -- I UNDERSTAND YOU
20 SAID YOU DIDN'T HEAR ANYTHING, BUT DID YOU BELIEVE
21 THAT IT WAS LAN LEE'S OR YUEFEI GE'S PLAN TO
22 TRANSFER TECHNOLOGY TO CHINA WHEN YOU MADE THIS
23 PHONE CALL?

24 A NO.

25 Q WHEN YOU CALLED THE F.B.I., DID YOU THINK THAT

1 THIS WOULD HAPPEN?

2 A NO.

3 Q BY "THIS," I MEAN THIS CASE.

4 A NO.

5 Q NOW, AGAIN, YOU MENTION LAN LEE. YOU DIDN'T
6 MENTION YUEFEI WHEN YOU CALLED THE F.B.I., WHY IS
7 THAT?

8 A I DON'T WANT YUEFEI TO GET INTO ANY TROUBLE.
9 I JUST WANT HIM TO STOP AND TO GET BACK TO THE
10 FAMILY.

11 Q YOU SENT A THIRD E-MAIL.

12 IF WE COULD PULL THAT UP, EXHIBIT 1C.

13 THIS IS A THIRD E-MAIL THAT YOU SENT TO
14 RON JANKOV. IT SAYS, "THEY ARE RUNNING OUT OF
15 HOPE. IT'S NOT LIKELY FOR HIM TO GET FUNDING."

16 A YES.

17 Q AND I UNDERSTAND THAT YOU SENT THIS BECAUSE AS
18 YOU UNDERSTOOD IT, IT LOOKED LIKE SICO'S OPERATIONS
19 WERE -- JUST SICO WASN'T GOING FORWARD?

20 A YES.

21 Q AND WHAT CAUSED YOU TO THINK THAT? WHY DID
22 YOU THINK THAT AT THAT TIME THAT SICO'S OPERATIONS
23 WEREN'T GOING FORWARD?

24 A I DON'T RECALL. I CAN'T IMAGINE, YOU KNOW. I
25 COMPLAINED -- I WAS COMPLAINING TO MY HUSBAND, OH,

1 THIS IS TOO MUCH FOR ME, AND I'M TOO STRESSFUL AND
2 THEN MAYBE HE --

3 THE COURT: WELL, DON'T SPECULATE, MA'AM.

4 THE WITNESS: OH, OKAY.

5 THE COURT: IF YOU CAN'T RECALL --

6 THE WITNESS: I CAN'T RECALL.

7 BY MR. SWANSON:

8 Q DID IT SEEM TO YOU THAT YUEFEI WAS WORKING
9 LESS ON THIS PROJECT, WE'RE TALKING SPRING OF 2003,
10 THAN WHEN HE HAD BACK IN THE SUMMER OF 2002?

11 A I CAN'T RECALL. MAYBE HE WAS ASSURING AT SOME
12 POINT THAT WE WON'T GET FUNDING SO THIS WILL STOP
13 SOON.

14 Q AND THEN YOU SAY YOU SAW AN E-MAIL ON HIS
15 COMPUTER IN MAY; IS THAT RIGHT?

16 A YES.

17 Q AND THAT LED YOU TO BELIEVE THAT MAYBE THEY
18 WERE GOING TO GET FUNDING; IS THAT RIGHT?

19 A YES.

20 Q OKAY. IF WE COULD PUT THAT EXHIBIT UP, 1D.

21 AND HERE YOU WROTE THAT "LOOKS LIKE LAN
22 FOUND ONE COMPANY IN BEIJING TO PAY SICO (LAN'S
23 COMPANY) TO CODEVELOP A NETWORK PROCESSOR IN
24 CHINA."

25 APART FROM THE E-MAIL THAT YOU ATTACHED

1 AND SENT TO MR. JANKOV, DID YOU HAVE ANY OTHER
2 INFORMATION THAT SICO HAD FOUND A COMPANY IN
3 BEIJING TO PAY THEM?

4 A NO.

5 Q WHEN YOU SAW THE E-MAIL, DID YOU TALK TO
6 YUEFEI ABOUT IT?

7 A NO.

8 Q WHEN I SAY "THE E-MAIL," THE ONE ON HIS
9 COMPUTER, THE ONE THAT YOU FORWARDED TO MR. JANKOV?

10 A NO.

11 Q WHY DID YOU FORWARD THIS E-MAIL TO MR. JANKOV?

12 A I JUST WANTED TO GIVE RON ANOTHER TRY TO SEE
13 IF HE CAN HELP AFTER SEEING THIS.

14 Q WHY NOT TALK TO YUEFEI ABOUT IT?

15 A I GAVE UP ON HIM A LONG TIME AGO.

16 Q WHEN YOU SAY YOU GAVE UP ON HIM --

17 A PERSUADING HIM TO AGREE WITH ME.

18 Q ABOUT STARTING A NEW COMPANY?

19 A YEAH.

20 Q ALL RIGHT. NOW, YOU ALSO WRITE "I JUST DON'T
21 WANT TO SEE NETLOGIC'S I.P. BECOME SICO'S I.P. ONE
22 DAY."

23 WHEN YOU WROTE THAT E-MAIL, DID YOU HAVE
24 ANY REASON TO BELIEVE THAT YUEFEI GE AND LAN LEE
25 WERE PLANNING TO USE NETLOGIC'S INTELLECTUAL

1 PROPERTY TO DESIGN THEIR OWN CHIP?

2 A NO.

3 Q DID YUEFEI OR LAN EVER SAY ANYTHING TO YOU
4 THAT CAUSED YOU TO SUSPECT THAT WHAT THEY WERE
5 PLANNING TO DO WAS TO TAKE NETLOGIC'S INTELLECTUAL
6 PROPERTY AND USE THAT TO START THEIR OWN CHIP?

7 A NO.

8 Q NOW, YOU NEVER SAID IN YOUR PREVIOUS E-MAILS
9 TO MR. JANKOV ANYTHING ABOUT NETLOGIC'S I.P.
10 BECOMING SICO'S I.P.; ISN'T THAT RIGHT?

11 A RIGHT.

12 Q SO WHY DID YOU SAY IT IN THIS E-MAIL?

13 A I DON'T RECALL.

14 Q ON JULY 31ST, THE F.B.I. CAME TO YOUR HOME;
15 RIGHT?

16 A WHICH YEAR?

17 Q OF -- SORRY -- 2003? SO THIS WAS MAY 2003 --

18 A YES.

19 Q -- YOU SENT THIS E-MAIL?

20 A YES.

21 Q ROUGHLY TWO MONTHS LATER THE F.B.I. CAME TO
22 YOUR HOUSE; RIGHT?

23 A YES.

24 Q YOUR PARENTS WERE THERE?

25 A YES.

1 Q YOUR SON WAS THERE?

2 A YES.

3 Q AND THEY SEARCHED THE HOUSE?

4 A YES.

5 Q DID YOU TELL YUEFEI THEN THAT YOU HAD CALLED
6 THE F.B.I. ABOUT LAN?

7 A NO.

8 Q IN THE SIX YEARS BETWEEN THE DATE THAT THE
9 F.B.I. CAME AND SEARCHED YOUR HOUSE AND THE TIME IN
10 JUNE WHERE YOU CALLED THE F.B.I., DID YOU EVER TELL
11 YUEFEI THAT YOU HAD BEEN THE ONE WHO HAD SENT THE
12 E-MAILS AND YOU HAD BEEN THE ONE WHO MADE THE
13 CALLS?

14 A NO.

15 Q WHY NOT?

16 A I WAS JUST -- THIS THING IS GETTING OUT OF
17 CONTROL, YOU KNOW. I WAS JUST HOPING THAT THIS
18 THING CAN SETTLE DOWN BY ITSELF SOON WITHOUT ME
19 GETTING MORE DISTURBANCE.

20 Q SO AT THE END OF MAY DID YOU GET AN E-MAIL
21 FROM YUEFEI?

22 A YES.

23 Q OKAY. AND LET ME SEE EXHIBIT 10.

24 I'M GOING TO HAND YOU WHAT HAS BEEN
25 MARKED AS EXHIBIT 108 AND ASK IF YOU RECOGNIZE THIS

1 DOCUMENT.

2 A YES.

3 Q AND WHAT IS THIS DOCUMENT?

4 A IT HAS SOME I.P. ADDRESS.

5 Q I'M SORRY. IS THIS AN E-MAIL THAT YOU
6 RECEIVED FROM YUEFEI --

7 A YES.

8 Q -- ON MAY 29TH?

9 A YES.

10 Q AND IT SAYS "TO" AND THEN IT HAS AN ADDRESS ON
11 THERE. IS THAT YOUR E-MAIL ADDRESS?

12 A YES.

13 MR. SWANSON: YOUR HONOR, I ASK EXHIBIT
14 108 BE MOVED INTO EVIDENCE.

15 MR. PARRELLA: OBJECTION, YOUR HONOR.
16 IT'S HEARSAY, IMPROPER FOUNDATION, AND RELEVANCE.

17 THE COURT: WELL, SUSTAINED WITHOUT
18 LAYING A BETTER FOUNDATION.

19 IS THIS BEING OFFERED FOR IMPEACHMENT OF
20 THIS WITNESS?

21 MR. SWANSON: YOUR HONOR, IT'S BEING
22 OFFERED AS AN E-MAIL THAT HE HAD RECEIVED TO SHOW
23 THE ACTIONS SHE TOOK IN RESPONSE TO IT.

24 IT'S NOT BEING ORDER FOR ITS TRUTH. I'LL
25 LAY THE FOUNDATION THAT THIS IS, IN FACT, AN E-MAIL

1 SHE RECEIVED AND IT'S A TRUE AND ACCURATE COPY OF
2 AN E-MAIL THAT SHE RECEIVED.

3 THE COURT: YES, BUT YOU CAN ASK HER WHAT
4 SHE DID. ANY WITNESS CAN TESTIFY ABOUT WHAT A
5 WITNESS DID.

6 UNLESS YOU'RE USING IT TO REFRESH HER
7 RECOLLECTION OF WHAT SHE DID, IT DOESN'T SUPPLY A
8 BASIS FOR THE DOCUMENT.

9 SO FAR I HAVEN'T HEARD ONE. SO THE
10 OBJECTION IS SUSTAINED.

11 MR. SWANSON: VERY WELL.

12 Q DID YOU RECEIVE AN E-MAIL FROM YUEFEI ON
13 NOVEMBER 29TH?

14 A YES.

15 Q AND WHEN YOU GOT THAT E-MAIL, WHAT DID YOU
16 UNDERSTAND IT TO SAY?

17 THE COURT: THAT SEEMS TO PUT INTO THE
18 RECORD THE SUBSTANCE OF THE DOCUMENT.

19 I GAVE YOU PERMISSION TO ASK HER WHAT SHE
20 DID.

21 IT COULD BE THAT YOU WOULD NEED TO GO
22 BACK TO IT LATER ON TO EXPLAIN WHY SHE DID WHAT SHE
23 DID, BUT SO FAR I HAVEN'T -- I WON'T ALLOW YOU TO
24 HAVE HER REPEAT THE SUBSTANCE OF IT AT THIS POINT.

25 BY MR. SWANSON:

1 Q WHAT DID YOU DO WHEN YOU GOT THIS E-MAIL?

2 A I CALLED THE F.B.I.

3 Q AND WHY DID YOU CALL THE F.B.I.?

4 A I JUST THOUGHT THAT THEY WILL IDENTIFY ME AS
5 THE E-MAIL SENDER SOON.

6 Q YOU THOUGHT THAT THEY HAD IDENTIFIED YOU AS
7 THE PERSON WHO HAD SENT THE TIPS?

8 A EITHER THEY HAVE OR THEY WILL BE ABLE TO
9 IDENTIFY SOON.

10 Q AND THIS WAS, AGAIN, THE 29TH OF MAY OF 2009;
11 IS THAT RIGHT?

12 A YES.

13 Q AND SO AFTER YOU GOT THIS E-MAIL -- HOW LONG
14 AFTER YOU GOT THIS E-MAIL DID YOU CALL THE F.B.I.?

15 A THIRTY MINUTES, ONE HOUR.

16 Q AND WHAT HAPPENED NEXT? DID YOU MEET WITH
17 THEM?

18 A YES.

19 Q AND, UM --

20 A THE SAME EVENING THEY CAME TO MY WORK, BRIAN
21 AND ANOTHER GENTLEMAN.

22 Q WHEN YOU SAY "BRIAN," WHO ARE YOU REFERRING
23 TO?

24 A BRIAN SITTING IN THE BACK.

25 Q THE AGENT SITTING IN THE BACK ROW

1 (INDICATING)?

2 A YES.

3 Q AND SOMEONE ELSE THAT YOU UNDERSTOOD TO BE
4 FROM THE F.B.I.; IS THAT RIGHT?

5 A YES.

6 Q AND WHAT DID YOU TELL THEM?

7 A I TOLD THEM I WANT TO BE OUT OF THIS
8 COMPLETELY.

9 AND I ALSO TOLD THEM THAT, YOU KNOW, IF
10 IT HELPS, I ALSO WOULD LIKE TO SEEK A DIVORCE JUST
11 TO GET RID OF -- GET OUT OF THIS THING AS FAR AS I
12 CAN.

13 Q HOW DID YOU THINK A DIVORCE WOULD DO THAT?

14 A HUH?

15 Q WHY DID YOU THINK A DIVORCE WOULD DO THAT?

16 A THEN I DON'T KNOW. I WAS JUST HOPING. I
17 DON'T WANT TO BE PART OF THIS.

18 Q DID YOU TELL THEM WHY YOU MADE THE PHONE
19 CALLS?

20 A WHICH PHONE CALL?

21 Q SORRY. THE F.B.I. PHONE CALLS?

22 A NO. THEY ASKED ME SOME QUESTIONS, BUT AT THAT
23 TIME I TOTALLY FORGOT THE CONTENT OF THE E-MAIL AND
24 THE PHONE CALL AND SO I DON'T REMEMBER WHAT I
25 ANSWERED.

1 Q AND DID YOU EXPLAIN TO THEM, THOUGH, WHY YOU
2 HAD ORIGINALLY COME FORWARD AND CONTACTED
3 MR. JANKOV, AND LATER THE F.B.I., WHAT YOUR
4 MOTIVATIONS WERE IN DOING THAT?

5 A YES, I THINK I DID. THEY ALSO ASKED ME IF I
6 FEEL LIKE I'M IN ANY DANGER, AND I SAID NO.

7 Q DID YOU GET CALLED IN FOR ANOTHER INTERVIEW
8 WITH THE PROSECUTION BEFORE TESTIFYING HERE?

9 A YES.

10 Q AND WHEN DID THAT HAPPEN?

11 A OCTOBER 11TH.

12 Q AND WHO WAS PRESENT FOR THAT --

13 THE COURT: IS THAT ALSO 2009?

14 THE WITNESS: 2009, YES, A SUNDAY
15 AFTERNOON.

16 BY MR. SWANSON:

17 Q AND WHERE WAS THAT INTERVIEW?

18 A THE HERITAGE BANK BUILDING. BRIAN AND ANOTHER
19 LADY, THEY WERE WAITING IN THE BUILDING, AND THEN
20 THEY PUNCHED IN THE PASSWORD KEY AND THEY GET ME
21 INTO THE BUILDING AND THE ELEVATOR AND MR. PARRELLA
22 WAS THERE AND THE THREE OF THEM WAS THERE.

23 Q MR. PARRELLA, THE PROSECUTOR?

24 A YES.

25 Q AND WHAT HAPPENED AT THAT MEETING?

1 A THEY STARTED ASKING ME QUESTIONS, HOW DO I
2 KNOW LAN? WHEN DID I KNOW LAN?

3 AND THEN -- SO I BROUGHT MY NOTEBOOK,
4 BECAUSE LAST MEETING --

5 Q WHEN YOU SAY "LAST MEETING," YOU'RE TALKING
6 ABOUT THE FIRST MEETING YOU HAD WITH THE F.B.I.?

7 A YES.

8 Q GO AHEAD.

9 A THE GENTLEMAN WITH BRIAN, HE WAS SPEAKING
10 ALSO, BUT I DIDN'T KNOW UNTIL THE END I NOTICED AND
11 THEN I ASKED HIM TO READ THE NOTES TO ME AND I
12 FOUND SOME OF MY ANSWERS WAS MISSING.

13 SO THIS TIME FOR MY OWN PROTECTION, SO I
14 JUST WANT TO TAKE MY OWN NOTES.

15 Q DID THEY LET YOU TAKE YOUR OWN NOTES?

16 A NO. MR. PARRELLA WAS VERY UPSET AND NOT HAPPY
17 ABOUT ME TAKING NOTES, SO HE SAID "DON'T DO THAT."

18 AND HE SUGGESTED -- AND THEN I SAID NO,
19 AND HE SUGGESTED WHY DON'T YOU WAIT UNTIL THE END
20 OF THE MEETING AND RECOLLECT YOUR THOUGHTS AND
21 WRITE THAT DOWN?

22 AND I SAID I TRIED THAT LAST TIME AND IT
23 DIDN'T WORK.

24 AND HE SAID MAYBE BECAUSE YOU WERE
25 NERVOUS LAST TIME.

1 AND I SAID I FEEL THE SAME TODAY AND I
2 INSISTED ON TAKING NOTES.

3 Q AND THEN WERE YOU ULTIMATELY ALLOWED TO TAKE
4 NOTES?

5 A HE JUST STOPPED AND I KEEP TAKING.

6 Q WHEN YOU WERE SPEAKING TO THE F.B.I. ABOUT --
7 WELL, LET ME JUST ASK, IN THIS MEETING DID YOU
8 DISCUSS AGAIN WHY YOU HAD ORIGINALLY CONTACTED
9 MR. JANKOV AND WHY YOU HAD CONTACTED THE F.B.I.?

10 A YES.

11 Q AND LET ME ASK --

12 THE COURT: ARE YOU REFERRING TO YOUR
13 NOTES NOW IN ANSWER TO THAT?

14 MR. SWANSON: YOU SHOULD NOT -- YOU
15 SHOULD JUST BE GIVING YOUR TESTIMONY.

16 THE WITNESS: OKAY.

17 THE COURT: I JUST NOTICE YOU'RE LOOKING
18 DOWN. I CAN'T SEE WHAT IS IN FRONT OF YOU, BUT IF
19 YOU ARE REFERRING TO NOTES, IT'S JUST FAIR FOR YOU
20 TO LET US KNOW THAT YOU'RE LOOKING AT NOTES TO
21 REFRESH.

22 THESE ARE NOTES OF YOUR MEETING ON
23 OCTOBER 11TH, 2009?

24 THE WITNESS: YES.

25 THE COURT: VERY WELL.

1 BY MR. SWANSON:

2 Q DID YOU RECALL -- DID YOU EXPLAIN TO THEM WHY
3 YOU HAD MADE THESE CALLS AND SENT THOSE E-MAILS,
4 YOUR REASONS FOR DOING IT?

5 A CAN I LOOK AT THE NOTES?

6 Q IF THAT WOULD REFRESH YOUR RECOLLECTION, YES.

7 A NO, THEY DIDN'T ASK ME WHY I HAD. YEAH, IT'S
8 NOT IN MY NOTES. THE NOTES ARE NOT COMPLETE.

9 Q OKAY. NOW, WHEN YOU TALKED TO THE F.B.I. ON
10 THESE TWO OCCASIONS, WERE YOU TELLING THEM THE
11 TRUTH?

12 A YES, FOR WHATEVER I CAN RECALL.

13 BUT THERE MIGHT BE DIFFERENT ANSWERS FROM
14 THE FIRST MEETING TO THE SECOND MEETING BECAUSE I
15 WAS STILL IN THE PROCESS OF REFRESHING MY MEMORY
16 AND I WAS NOT UNDER OATH FOR THOSE TWO MEETINGS.

17 Q BUT --

18 A BUT I TRIED MY BEST TO TELL THE TRUTH.

19 Q YOU'RE DOING THAT NOW, TOO; RIGHT? YOU'RE
20 DOING THAT NOW, TOO; RIGHT?

21 A YES.

22 Q NOW, I WANT TO ASK YOU A PERSONAL QUESTION.
23 AFTER YUEFEI FOUND OUT THAT YOU HAD BEEN THE
24 TIPSTER --

25 THE COURT: WELL, THAT FACT HASN'T BEEN

1 PUT INTO EVIDENCE.

2 BY MR. SWANSON:

3 Q SO DID THERE COME A TIME TO YOUR KNOWLEDGE
4 WHERE YUEFEI LEARNED THAT YOU HAD BEEN THE ONE WHO
5 MADE THE PHONE CALL --

6 THE COURT: WELL, YOU CAN ASK WHETHER HE
7 TOLD HER, BUT TO SOMEHOW ASK WHAT HE LEARNED, YOU
8 NEED TO LAY A FOUNDATION AS TO HOW SHE WOULD KNOW
9 THAT.

10 BY MR. SWANSON:

11 Q DO YOU KNOW, FIRST OF ALL, IF YUEFEI CAME TO
12 LEARN THAT YOU WERE THE PERSON WHO MADE THE PHONE
13 CALLS AND SENT THE E-MAILS?

14 A YES.

15 Q AND DID YOU -- DO YOU KNOW WHEN HE FOUND THAT
16 OUT?

17 A I DON'T KNOW WHEN EXACTLY HE FOUND THAT OUT,
18 BUT IT'S BEFORE HE SENT ME THAT E-MAIL.

19 Q THAT HE HAD FIGURED OUT THAT YOU WERE THE
20 TIPSTER?

21 A YES.

22 Q AFTER THAT HAPPENED, YOU STILL HAVE BEEN
23 LIVING TOGETHER; IS THAT RIGHT?

24 A YES.

25 Q YOU'RE STILL MARRIED; IS THAT RIGHT?

1 A YES.

2 Q CAN YOU TELL US WHAT EFFECT THIS HAS HAD ON
3 YOUR MARRIAGE?

4 A WE DIDN'T HAVE OPEN COMMUNICATION BEFORE AND
5 WE STILL DON'T.

6 SO FROM THE SURFACE NOT MUCH DIFFERENCE.
7 NOT MUCH.

8 Q AND FOR YOU BELOW THE SURFACE IS IT DIFFERENT?

9 A I THINK SO.

10 Q HOW?

11 A I FELT I SHOULDN'T USE THIS EXTREME WAY TO TRY
12 TO SOLVE THE CONFLICTS INSIDE OF OUR MARRIAGE.

13 Q SINCE THIS HAS HAPPENED, HAVE YOU AND YUEFEI
14 TALKED ABOUT THE CASE?

15 A NO.

16 Q YOU'VE BEEN LIVING TOGETHER FOR THESE LAST
17 FIVE MONTHS OR SO. YOU'VE NOT HAD COMMUNICATIONS
18 ABOUT THE CASE SINCE THEN?

19 A NO.

20 Q IN THE TIME THAT YOU SENT THE E-MAILS OR MADE
21 THE PHONE CALLS, OR AT ANY TIME SINCE THEN, DO YOU
22 HAVE ANY INFORMATION -- HAVE YOU SEEN ANY
23 INFORMATION THAT CAUSES YOU TO BELIEVE THAT YUEFEI
24 AND LAN WERE TRYING TO STEAL THE TRADE SECRETS OF
25 NETLOGIC?

1 A NO.

2 MR. PARRELLA: OBJECTION, YOUR HONOR.

3 THE COURT: WELL, YOUR OBJECTION CAME A
4 BIT LATE.

5 IT DOES REQUIRE THE WITNESS TO DRAW
6 CONCLUSIONS ABOUT MATTERS THAT SHE HAS NOT
7 TESTIFIED TO ON DIRECT.

8 IT DID REFER TO I.P. THAT MIGHT BE A
9 FAIR QUESTION.

10 THE JURY WILL DISREGARD THE WITNESS'S
11 ANSWER TO THE LAST QUESTION.

12 YOU MAY REPHRASE YOUR QUESTION IF YOU
13 WISH.

14 MR. SWANSON: I WILL, YOUR HONOR.

15 Q WHEN YOU WROTE THOSE E-MAILS AND YOU MADE
16 THOSE PHONE CALLS, OR ANY TIME SINCE, DO YOU HAVE
17 ANY INFORMATION THAT CAUSES YOU TO BELIEVE THAT
18 SICO WAS ATTEMPTING TO USE NETLOGIC'S INTELLECTUAL
19 PROPERTY?

20 A NO.

21 Q SINCE -- WHEN YOU WROTE THOSE E-MAILS, WHEN
22 YOU MADE THOSE PHONE CALLS, AT ANY TIME SINCE, DO
23 YOU HAVE ANY INFORMATION THAT CAUSES YOU TO BELIEVE
24 THAT LAN LEE OR YUEFEI GE WERE ATTEMPTING TO
25 TRANSFER TECHNOLOGY TO CHINA?

1 A NO.

2 MR. SWANSON: NO FURTHER QUESTIONS AT
3 THIS TIME, YOUR HONOR.

4 THE COURT: VERY WELL.

5 HOWEVER -- ARE YOU WISHING TO EXAMINE THE
6 WITNESS?

7 MR. OLMOS: WE DO, YOUR HONOR, AND I
8 BELIEVE IT WILL BE BRIEF.

9 THE COURT: BRIEF. ALL RIGHT. WHY DON'T
10 WE TRY THAT THEN BEFORE WE TAKE OUR BREAK.

11 **CROSS-EXAMINATION**

12 BY MR. OLMOS:

13 Q GOOD MORNING, MS. LI.

14 A GOOD MORNING.

15 Q YOU PLACED TWO PHONE CALLS TO THE F.B.I. --

16 THE COURT: LET'S NOT COVER THINGS THAT
17 WE HAVE ALREADY COVERED. I'LL ALLOW YOU A LITTLE
18 LEEWAY FOR FOUNDATIONAL PURPOSES.

19 MR. OLMOS: THAT'S ALL I NEED, YOUR
20 HONOR.

21 Q -- BECAUSE YOU WANTED THE FEDERAL AUTHORITIES
22 TO STOP YOUR HUSBAND FROM STARTING THIS BUSINESS,
23 SICO; IS THAT RIGHT?

24 A YES.

25 Q AND YOU HAD TRIED SPEAKING TO YOUR HUSBAND

1 ABOUT YOUR CONCERNS, HADN'T YOU?

2 A YES.

3 Q BUT YOU TESTIFIED THAT YOU FELT POWERLESS TO
4 STOP HIM; RIGHT?

5 A YES.

6 Q YOU HAD GIVEN UP TRYING TO PERSUADE HIM?

7 A YES.

8 Q AND YOU THOUGHT THAT THE FEDERAL AUTHORITIES
9 COULD HELP YOU SOLVE THIS PROBLEM?

10 A YES.

11 Q AND YOU HAD DONE THAT BEFORE, HADN'T YOU?

12 LET ME PUT IT THIS WAY: ISN'T IT TRUE
13 THAT YOU CALLED THE DEPARTMENT OF HOMELAND SECURITY
14 IN AN ATTEMPT TO KEEP YOUR MOTHER AND FATHER-IN-LAW
15 OUT OF THE UNITED STATES WHEN THEY WERE TRYING TO
16 TRAVEL HERE FROM CHINA ON TOURIST'S VISAS?

17 A YES.

18 Q YOUR MOTHER AND FATHER-IN-LAW STAYED WITH YOU
19 FOR A COUPLE OF MONTHS IN LATE 2005; IS THAT RIGHT?

20 A YES.

21 Q AND THEY HAD, AS FAR AS YOU KNEW, TOURIST'S
22 VISAS TO BE HERE?

23 A YES.

24 Q AND THEY CAME FROM CHINA?

25 A YES.

1 Q AND YOU LEARNED SUBSEQUENTLY THAT THEY WERE
2 PLANNING TO RETURN IN EARLY 2006; ISN'T THAT RIGHT?

3 A YES. WE HAD A VERY DIFFICULT STAY TOGETHER,
4 AND RIGHT AFTER THEY LEFT AND YUEFEI WAS TELLING ME
5 HE'S BRINGING THEM BACK WITHIN A MONTH OR TWO, AND
6 EVEN THOUGH I DON'T WANT THEM TO COME HERE OR MAYBE
7 AS SOON, AND SO HE JUST WENT AHEAD AND BOOKED THEIR
8 AIRLINE TICKET.

9 AND SO THIS IS AN EXAMPLE. THAT'S MY
10 WEAKNESS HANDLING THE CONFLICTS WHEN I DON'T GET
11 MY -- GET HIM TO AGREE OR GET MY POINT ACROSS AND
12 WHEN I FEEL DESPERATE OR WHEN I'M UNDER STRESS, SO
13 I SEEK FEDERAL AUTHORITY TO COME HELP.

14 Q AND SO JUST TO BE CLEAR, YOU DID --

15 A YES.

16 Q -- TRY TO CONVINCED YUEFEI NOT TO HAVE HIS
17 PARENTS COME AGAIN?

18 A YES.

19 Q AND YOU FELT FROM YOUR PERSPECTIVE AS THOUGH
20 HE DIDN'T LISTEN TO YOU; IS THAT RIGHT?

21 A YES.

22 Q AND YOU WERE DESPERATE?

23 A YES.

24 Q AND YOU DIDN'T KNOW WHERE ELSE TO GO; IS THAT
25 RIGHT?

1 A YES.

2 Q AND SO YOU CALLED THE DEPARTMENT OF HOMELAND
3 SECURITY?

4 A I WROTE A LETTER.

5 Q AND YOU GAVE THEM THE NAMES OF YUEFEI'S
6 PARENTS AND THE DATE THAT THEY WOULD BE ARRIVING IN
7 THIS COUNTRY?

8 A YES.

9 Q AND YOU TOLD THEM THAT THE DEPARTMENT -- YOU
10 TOLD THE DEPARTMENT OF HOMELAND SECURITY THAT THEY
11 SHOULD NOT LET YUEFEI'S PARENTS IN; RIGHT?

12 A YES.

13 Q AND YOU TOLD THEM, THE FEDERAL AUTHORITIES,
14 THAT THEY SHOULD NOT LET YOUR MOTHER AND
15 FATHER-IN-LAW BACK IN THE COUNTRY BECAUSE THEY WERE
16 PLANNING TO APPLY FOR GREEN CARDS; RIGHT?

17 A YES.

18 Q AND DID THE FEDERAL AUTHORITIES, IN FACT,
19 PREVENT -- AS FAR AS YOU KNOW, DID THEY PREVENT
20 YUEFEI'S MOTHER AND FATHER FROM ENTERING THIS
21 COUNTRY?

22 A YES.

23 Q AND TO THE BEST OF YOUR KNOWLEDGE AT THAT
24 TIME, YUEFEI'S MOTHER AND FATHER HAD VALID
25 TOURIST'S VISAS, DIDN'T THEY?

1 A YES.

2 MR. OLMOS: I DON'T THINK I HAVE ANYTHING
3 FURTHER.

4 THANK YOU, YOUR HONOR.

5 THANK YOU, MS. LI.

6 THE COURT: ANY REDIRECT?

7 MR. PARRELLA: YES, YOUR HONOR, A FAIR
8 BIT.

9 THE COURT: OH, YOU HAVE QUITE A BIT?
10 I'M SORRY.

11 MR. PARRELLA: I WOULDN'T SAY QUITE A
12 BIT. JUST A FEW MINUTES, SO I THINK WE CAN DO IT
13 BEFORE THE BREAK REASONABLY.

14 THE COURT: IN LAWYER'S SPEAK A FEW
15 MINUTES MEANS WE SHOULD TAKE A BREAK AT THIS POINT.

16 SO IT'S ABOUT 10:30, SO WE SHOULD COME
17 BACK AT ABOUT 10:40.

18 (WHEREUPON, A RECESS WAS TAKEN.)

19 THE CLERK: PLEASE BE SEATED AND COME TO
20 ORDER.

21 THE COURT: MAY WE HAVE OUR WITNESS BACK.
22 SUMMON THE JURY.

23 (WHEREUPON, THE FOLLOWING PROCEEDINGS
24 WERE HELD IN THE PRESENCE OF THE JURY:)

25 THE COURT: PLEASE BE SEATED.

1 VERY WELL. YOU MAY RESUME YOUR
2 EXAMINATION.

3 MR. PARRELLA: THANK YOU, YOUR HONOR.

4 **REDIRECT EXAMINATION**

5 BY MR. PARRELLA:

6 Q MS. LI, DID YOU HAVE ACCESS TO THE FILES ON
7 YOUR HUSBAND, YUEFEI GE'S, HOME COMPUTER?

8 A I DON'T KNOW. I NEVER TRIED TO ACCESS IT.

9 Q SO DID YOU KNOW WHAT WAS ON HIS HOME COMPUTER?

10 A NO.

11 Q WHEN -- IT'S YOUR TESTIMONY THAT THE
12 INFORMATION IN THE E-MAILS THAT YOU SENT TO RON
13 JANKOV WAS THE ANGLE THAT YOU CAME UP WITH?

14 A YES.

15 Q AND SO FAIR TO SAY THAT WAS NOT TRUE; IS THAT
16 YOUR TESTIMONY?

17 THE COURT: I'M SORRY? "THAT" BEING
18 WHAT?

19 BY MR. PARRELLA:

20 Q THE INFORMATION CONTAINED WITHIN THOSE
21 E-MAILS, IT'S YOUR TESTIMONY THAT'S NOT TRUE?

22 MR. SWANSON: YOUR HONOR, OBJECT. THIS
23 IS LEADING.

24 THE COURT: I'M SORRY?

25 MR. SWANSON: LEADING.

1 MR. PARRELLA: YOUR HONOR, FEDERAL RULE
2 611(C) ALLOWS A PARTY WHO IS IDENTIFIED WITH AN
3 ADVERSE PARTY, WHEN A PARTY CALLS A HOSTILE
4 WITNESS, AN ADVERSE PARTY, OR A WITNESS IDENTIFIED
5 WITH AN ADVERSE PARTY, INTERROGATION MAY BE BY
6 LEADING QUESTIONS.

7 I HAVEN'T UNDERTAKEN TO DO THAT. I HAVE
8 A BRIEF REDIRECT EXAMINATION, AND I THINK THE RULE
9 ALLOWS FOR THIS FORMAT.

10 MR. SWANSON: YOUR HONOR, I DON'T THINK
11 IT DOES, BUT I'M GOING TO WITHDRAW THE OBJECTION.

12 THE COURT: I'M SORRY?

13 MR. SWANSON: I DON'T THINK IT DOES, BUT
14 I'M GOING TO WITHDRAW MY OBJECTION.

15 THE COURT: THE OBJECTION IS WITHDRAWN.

16 THE WITNESS: I --

17 THE COURT: JUST A MOMENT. THEY'LL
18 RESTATE THE QUESTION.

19 THE WITNESS: I DIDN'T UNDERSTAND WHAT HE
20 WAS READING.

21 THE COURT: OKAY. JUST A MOMENT. HE'S
22 GOING TO RESTATE HIS QUESTION.

23 THE WITNESS: OKAY.

24 BY MR. PARRELLA:

25 Q SO THE INFORMATION THAT YOU PUT IN THE E-MAILS

1 TO RON JANKOV, IT'S YOUR TESTIMONY THAT WAS FALSE?

2 A WHICH SENTENCE? WHICH? IF IT'S A SUBJECTIVE
3 SENTENCE, IT'S SUBJECTIVE. IF IT'S AN E-MAIL
4 COPIED, YOU KNOW, THEN IT DEPENDS ON THAT E-MAIL.

5 Q LET'S SET ASIDE THE CUT AND PASTE PORTION --

6 A OKAY.

7 Q -- OF THE MAY 15TH, 2003.

8 A UH-HUH.

9 Q CORRECT?

10 A UH-HUH.

11 Q IT'S YOUR TESTIMONY THAT THE COMMUNICATIONS
12 YOU PUT IN THOSE E-MAILS TO ROB JANKOV --

13 A UH-HUH.

14 Q -- WAS FALSE?

15 MR. SWANSON: YOUR HONOR, I'LL OBJECT.
16 IT'S COMPOUND AND WE'RE TALKING ABOUT A NUMBER OF
17 CONVERSATIONS AND E-MAILS THAT SHE HAS TESTIFIED
18 ABOUT.

19 THE COURT: SUSTAINED.

20 BY MR. PARRELLA:

21 Q IS THE INFORMATION THAT YOU PUT IN YOUR MAY
22 15TH, 2003 E-MAIL THAT "I JUST DON'T WANT TO SEE
23 NETLOGIC'S I.P. BECOME SICO'S I.P. ONE DAY" --

24 A UH-HUH.

25 Q -- WAS THAT TRUE?

1 A THAT'S A SUBJECTIVE STATEMENT. IT'S NOT A
2 FACT STATEMENT.

3 Q AND YOU MADE THAT SUBJECTIVE STATEMENT TO GET
4 A REACTION OUT OF RON JANKOV?

5 A YES.

6 Q CORRECT?

7 A YES.

8 Q TO MANIPULATE RON JANKOV?

9 A YES.

10 Q AND YOU CALLED THE F.B.I. AND YOU SPOKE TO THE
11 F.B.I.; CORRECT?

12 A YES.

13 Q AND YOU CALLED THE F.B.I. TWICE?

14 A YES.

15 Q AND YOU STATED THAT, WORDS TO THE EFFECT THAT
16 HE'S EXCHANGING SOME KIND OF COMPANY PROTECTED
17 TECHNOLOGICAL INFORMATION; IS THAT CORRECT?

18 A SAY THAT AGAIN, PLEASE.

19 Q YOU STATED, IN SUM AND SUBSTANCE, THAT HE,
20 MEANING LAN LEE, IS EXCHANGING SOME TYPE OF COMPANY
21 PROTECTED TECHNOLOGICAL INFORMATION?

22 A AGAIN, THAT'S NOT MY ORIGINAL WORDING, SO I
23 CAN'T RECALL EXACTLY WHAT I SAID.

24 Q DID YOU SAY SOMETHING LIKE THAT?

25 A I DIDN'T SAY "COMPANY PROTECTED." I WOULDN'T

1 HAVE USED WORDS LIKE THAT.

2 Q I UNDERSTAND THAT.

3 DID YOU SAY SOMETHING THAT WOULD HAVE
4 CONVEYED THE SAME INFORMATION?

5 A I CAN'T RECALL.

6 Q OKAY. DID YOU STATE THAT YOU BELIEVED IT TO
7 BE AN ILLEGAL ACTIVITY?

8 A I CAN'T RECALL THAT.

9 Q YOUR GOAL AT THAT PHONE CALL WAS TO GET THE
10 F.B.I. INTERESTED; CORRECT?

11 A YES.

12 Q AND YOU KNEW THE F.B.I. INVESTIGATED CRIMES;
13 CORRECT?

14 A YES.

15 Q AND DID YOU BELIEVE THAT THE F.B.I. HAD
16 ANYTHING TO DO WITH ANYTHING ELSE?

17 A I DON'T KNOW.

18 Q SO YOUR GOAL WAS TO GET THE F.B.I. INTERESTED
19 IN INVESTIGATING A POSSIBLE CRIME?

20 A YES. CAN I USE THAT ANALOGY HERE?

21 Q NO. WHY DON'T WE JUST ASK THE QUESTIONS AND
22 YOU CAN GIVE THE ANSWERS.

23 A UH-HUH.

24 Q WHEN YOU SPOKE TO THE F.B.I. --

25 A YES.

1 Q -- AND YOU SAID THIS, YOU WANTED A REACTION
2 FROM THE F.B.I.?

3 A YES.

4 Q YOU WANTED THEM TO DO SOMETHING?

5 A YES.

6 Q AND YOU CAME UP WITH THIS STORY TO MANIPULATE
7 THE F.B.I.?

8 A YES.

9 Q AND THEN YOU CALLED THE NEXT DAY, ON JANUARY
10 7TH, AND YOU TALKED ABOUT INTELLECTUAL PROPERTY AND
11 CHINA IN THAT CONVERSATION?

12 A YES.

13 Q AND, AGAIN, THAT WAS A CALCULATED ATTEMPT BY
14 YOU TO MANIPULATE THE F.B.I.?

15 A YES.

16 MR. PARRELLA: NOTHING FURTHER, YOUR
17 HONOR.

18 THE COURT: VERY WELL. THE WITNESS IS
19 EXCUSED.

20 CALL YOUR NEXT WITNESS.

21 MR. PARRELLA: WE CALL SPECIAL AGENT
22 DAVID SIEBER.

23 THE COURT: GOOD MORNING, AGENT SIEBER.

24 COME ALL OF THE WAY FORWARD HERE AND BE
25 SWORN BY THE CLERK OF COURT.

1 THE WITNESS: GOOD MORNING, YOUR HONOR.

2 THE CLERK: PLEASE RAISE YOUR RIGHT HAND.

3 **DAVID SIEBER,**

4 BEING CALLED AS A WITNESS ON BEHALF OF THE
5 PLAINTIFF, HAVING BEEN FIRST DULY SWORN, WAS EXAMINED
6 AND TESTIFIED AS FOLLOWS:

7 THE WITNESS: YES.

8 THE CLERK: PLEASE BE SEATED.

9 WOULD YOU PLEASE STATE YOUR FULL NAME AND
10 SPELL YOUR LAST NAME FOR THE RECORD.

11 THE WITNESS: DAVID ANTHONY SIEBER,
12 JUNIOR. S-I-E-B-E-R.

13 **DIRECT EXAMINATION**

14 BY MR. PARRELLA:

15 Q THANK YOU. AGENT SIEBER, CAN YOU TELL US HOW
16 YOU'RE EMPLOYED?

17 A I'M A SPECIAL AGENT WITH THE F.B.I.

18 Q AND HOW LONG HAVE YOU BEEN SO?

19 A APPROXIMATELY SEVEN YEARS.

20 Q AND WHERE ARE YOU PRESENTLY ASSIGNED?

21 A TO THE SACRAMENTO DIVISION.

22 Q AND WHERE WERE YOU ASSIGNED BACK IN LATE 2002,
23 EARLY 2003 OR THROUGH 2003?

24 A TO THE SAN FRANCISCO DIVISION.

25 Q AND WHERE WERE YOU ACTUALLY BASED?

1 A AT PALO ALTO RESIDENT AGENCY FOR FOUR YEARS
2 AND THE SAN JOSE RESIDENT AGENCY FOR THE LAST YEAR.

3 Q AND DID YOU BECOME INVOLVED IN AN
4 INVESTIGATION INVOLVING AN ENTITY CALLED NETLOGIC
5 MICROSYSTEMS?

6 A YES.

7 Q HOW DID YOU BECOME INVOLVED IN THAT?

8 A THE PALO ALTO RESIDENT AGENCY RECEIVED AN
9 ANONYMOUS COMPLAINT WRITTEN ON A FORM WE CALLED THE
10 FD-71 AND I TOOK THAT PIECE OF INFORMATION AND
11 INITIATED THE INVESTIGATION.

12 Q AND CAN YOU MOVE THE MICROPHONE IN FRONT OF
13 YOU?

14 A I'M USING THE LAPEL MIKE.

15 THE COURT: WE CAN HEAR FINE.

16 MR. PARRELLA: ALL RIGHT. THANK YOU.

17 Q AND TELL US WHAT YOU KNEW ON THE -- WITHDRAW
18 IT.

19 WHEN DID YOU RECEIVE THIS INFORMATION
20 ABOUT THE ANONYMOUS CALLS?

21 A APPROXIMATELY FEBRUARY 2003.

22 Q OKAY. AND WHAT DID YOU KNOW ABOUT THE CASE IN
23 FEBRUARY OF 2003?

24 A THE ANONYMOUS COMPLAINT, COMPLAINANT ALLEGED
25 THAT AN INDIVIDUAL BY THE NAME OF LAN LEE HAD

1 STARTED A COMPANY AND THAT AT THAT COMPANY HE MAY
2 HAVE BEEN STEALING TECHNOLOGY FROM HIS CURRENT
3 EMPLOYER AND HIS CURRENT EMPLOYER WAS IDENTIFIED AS
4 NETLOGIC MICROSYSTEMS IN MOUNTAIN VIEW.

5 Q WHAT ABOUT THE SECOND CALL, WHAT DID YOU KNOW
6 ABOUT IT AT THAT POINT?

7 A BOTH ANONYMOUS COMPLAINTS ALLEGED BASICALLY
8 THE SAME INFORMATION. THERE WERE SLIGHT VARIATIONS
9 TO IT.

10 ONE OF THEM ALLEGED THAT HE WAS
11 TRANSFERRING SOME OF THIS INFORMATION TO A RELATIVE
12 OR SOMEBODY IN CHINA.

13 Q SO WHAT ACTIONS DID YOU UNDERTAKE AT THAT
14 POINT, IN GENERAL, INVESTIGATORY ACTIONS I SHOULD
15 SAY?

16 A WE SOUGHT TO IDENTIFY IF --

17 MR. NOLAN: OBJECTION, NONRESPONSIVE. HE
18 SAYS "WE." I THINK IT SHOULD BE HE.

19 THE COURT: SUSTAINED.

20 BY MR. PARRELLA:

21 Q WERE YOU WORKING WITH ANOTHER AGENT?

22 A YES.

23 Q AND WHO WERE YOU WORKING WITH?

24 A CHRISTIAN CANO, SPECIAL AGENT GREG CASEY, AND
25 VARIOUS AGENTS IN THE OFFICE.

1 Q OKAY. AND SO WHAT DID YOU DO?

2 A I SOUGHT TO DETERMINE IF AN INDIVIDUAL BY THE
3 NAME OF LAN LEE WORKED AT A COMPANY CALLED
4 NETLOGIC.

5 Q AND WHAT DID YOU LEARN?

6 A I SET UP AN INTERVIEW WITH OFFICIALS FROM
7 NETLOGIC MICROSYSTEMS AND I LEARNED THAT HE WAS, IN
8 FACT, AN EMPLOYEE THERE.

9 Q AND WHEN WAS THAT MEETING, IF YOU RECALL?

10 A I BELIEVE IT WAS IN JUNE 2003.

11 Q AND WHO WAS PRESENT, IF YOU RECALL?

12 A FROM THE F.B.I. I WAS PRESENT; SPECIAL AGENT
13 GREG CASEY ACCOMPANIED ME; AND WE MET WITH ROLAND
14 CORTES, THE DIRECTOR OF LEGAL AFFAIRS FROM
15 NETLOGIC; THE CHIEF EXECUTIVE OFFICER, RON JANKOV;
16 AS WELL AS I THINK A REPRESENTATIVE OF GIBSON, DUNN
17 AND CRUTCHER, THE OUTSIDE LEGAL FIRM OF NETLOGIC.
18 AND WE MET AT THE GIBSON, DUNN AND CRUTCHER
19 OFFICES.

20 Q AND HOW LONG WAS THAT MEETING?

21 A THE MEETING WAS RELATIVELY BRIEF.

22 Q AND WHAT WAS YOUR PURPOSE IN THAT MEETING?

23 A INITIALLY JUST TO IDENTIFY IF AN INDIVIDUAL
24 NAMED LAN LEE WORKED AT NETLOGIC AND TO DETERMINE
25 IF -- WHAT SORT OF ACCESS HE HAD TO THEIR

1 INTELLECTUAL PROPERTY.

2 Q OTHER THAN THAT INFORMATION, DID YOU PROVIDE
3 THE INFORMATION THAT YOU JUST TESTIFIED TO, DID YOU
4 PROVIDE ANY OTHER INFORMATION AT THAT FIRST MEETING
5 TO ANYONE AT NETLOGIC MICROSYSTEMS?

6 A I BELIEVE I PROVIDED THE NAME AND --

7 MR. NOLAN: OBJECTION.

8 THE COURT: WHAT NAME?

9 THE WITNESS: LAN LEE.

10 MR. NOLAN: OTHER THAN WHAT HE TESTIFIED
11 TO, DID HE PROVIDE ANY OTHERS? HE TESTIFIED TO A
12 LOT OF INFORMATION. ARE WE PUTTING THE --

13 THE COURT: THE OBJECTION IS OVERRULED.

14 BY MR. PARRELLA:

15 Q BY THE NAME YOU MEAN LAN LEE?

16 A CORRECT.

17 Q OKAY. AND ANYTHING ELSE THAT YOU TOLD THEM IN
18 THAT FIRST MEETING?

19 A YES. I BELIEVE THAT I ALSO MENTIONED THAT AN
20 ALLEGATION OF A THEFT OF NETLOGIC'S TRADE SECRETS
21 MAY HAVE OCCURRED, AND I SOUGHT TO SEE WHAT THEIR
22 REACTION WAS TO THAT.

23 Q UH-HUH. WAS THAT A DETAILED MEETING AT THAT
24 POINT?

25 A I --

1 MR. NOLAN: OBJECTION TO THE FORM OF THE
2 QUESTION. VAGUE. "DETAILED."

3 THE COURT: SUSTAINED.

4 BY MR. PARRELLA:

5 Q CAN YOU DESCRIBE THE LEVEL OF DETAIL YOU GOT
6 IN THAT MEETING?

7 A WE DID NOT GET INTO THAT MUCH DETAIL.

8 Q AND HOW LONG WAS THAT MEETING? I BELIEVE I
9 ASKED, BUT IF YOU KNOW IN TERMS OF MINUTES.

10 A I WOULD GUESS A HALF AN HOUR.

11 Q SO WHAT DID YOU DO AT THAT MEETING?

12 A AT THAT MEETING WE VERIFIED THAT MR. LAN LEE
13 WORKED AT NETLOGIC. WE SOUGHT TO EXPAND THE SCOPE
14 OF THE INVESTIGATION.

15 MR. NOLAN: OBJECTION TO "WE."

16 MR. PARRELLA: WELL, HE TESTIFIED HE WAS
17 WORKING WITH OTHER SPECIAL AGENTS.

18 THE COURT: BUT YOU ASKED HIM WHAT HE DID
19 SO THE OBJECTION IS SUSTAINED.

20 IT IS FAIR TO ASK A QUESTION ABOUT WHAT
21 OTHER PEOPLE DID BUT IT, PERHAPS, IS IMPORTANT FOR
22 US TO KEEP TRACK AS TO WHO IS DOING WHAT SO AS TO
23 ALLOW AN EXAMINATION OF THOSE INDIVIDUALS ABOUT
24 THEIR CONDUCT.

25 MR. PARRELLA: THANK YOU, YOUR HONOR.

1 Q SO AT THIS POINT WERE YOU STILL WORKING WITH
2 THOSE OTHER AGENTS?

3 A YES.

4 Q AND CAN YOU TELL US WHAT YOU DID AND WHAT THEY
5 DID AND PLEASE TRY TO DEFINE WHAT EACH ROLE WAS?

6 A WELL, I SOUGHT TO, ALONG WITH SOME OF MY
7 COWORKERS, SOUGHT TO EXPAND THE INVESTIGATION AND
8 CALL FOR A SECOND MEETING TO MEET WITH NETLOGIC AND
9 LEARN ADDITIONAL DETAILS.

10 Q AND IN THE INTERIM BETWEEN THE FIRST
11 MEETING -- WELL, WITHDRAWN. WAS THERE A SECOND
12 MEETING?

13 A THERE WAS.

14 Q AND WHEN WAS THAT, IF YOU RECALL?

15 A THE SECOND MEETING OCCURRED ON JUNE 11TH,
16 2003.

17 Q AND WHERE WAS THAT?

18 A THAT WAS ALSO HELD AT THE LAW OFFICES OF
19 GIBSON, DUNN AND CRUTCHER.

20 Q IN BETWEEN THE TWO MEETINGS, THE JUNE 4TH AND
21 THE JUNE 11TH MEETING, WHAT DID YOU LEARN -- OR
22 WITHDRAWN.

23 DID YOU LEARN ANYTHING ADDITIONAL?

24 A BETWEEN THAT TIME PERIOD I DON'T RECALL ANY
25 SIGNIFICANT DATA.

1 Q AND SO FROM THE SECOND MEETING, APPROXIMATELY
2 HOW LONG DID THAT LAST?

3 A THE SECOND MEETING WAS LONGER. THERE WERE
4 MORE INDIVIDUALS PRESENT AT THE MEETING, MYSELF AND
5 SPECIAL AGENT CHRISTIAN CANO WHO I WORKED A
6 SIGNIFICANT PORTION OF THIS INVESTIGATION WITH WERE
7 PRESENT AS WELL AS RON JANKOV, THE CEO; ROLAND
8 CORTES; VARAD SRINIVASAN, THE CHIEF TECHNOLOGY
9 OFFICER AT NETLOGIC. AND WE ALSO LEARNED AT THIS
10 MEETING THAT REPRESENTATIVES OF SAFIRROSETTI
11 SECURITIES SERVICES WERE PRESENT.

12 Q AND WHAT DID YOU LEARN ABOUT THEIR
13 RELATIONSHIP BETWEEN NETLOGIC MICROSYSTEMS AND
14 SAFIRROSETTI, OR SAFIRROSETTI?

15 A I BELIEVED THAT GIBSON, DUNN AND CRUTCHER HAD
16 SECURED THE SERVICES OF SAFIRROSETTI FOR NETLOGIC
17 TO CONDUCT AN INTERNAL INVESTIGATION.

18 Q AND WHAT IS SAFIRROSETTI?

19 A I BELIEVE IT'S AN OUTSIDE SECURITY FIRM.

20 Q AND ABOUT HOW LONG DID THIS MEETING LAST?

21 A I WOULD ESTIMATE THAT THIS MEETING WAS ABOUT
22 AN HOUR LONG.

23 Q AND DID YOU LEARN OF E-MAILS THAT HAD BEEN
24 RECEIVED BY RON JANKOV?

25 A YES.

1 Q DID YOU RECEIVED COPIES OF E-MAILS AT THAT
2 TIME?

3 A YES.

4 Q AND I BELIEVE THEY STILL MAY BE UP THERE,
5 EXHIBITS 1A THROUGH 1D. CAN YOU TAKE A LOOK AT
6 THEM AND JUST TAKE 1A, FIRST. CAN YOU TELL US WHAT
7 THAT IS?

8 THE COURT: THAT'S ALREADY IN EVIDENCE.
9 YOU'RE JUST TRYING TO ESTABLISH THAT HE GOT IT?

10 MR. PARRELLA: YES.

11 Q JUST SAY IF THAT'S THE ONE THAT YOU GOT.

12 A YES, THIS LOOKS FAMILIAR.

13 Q AND 1B?

14 A YES.

15 Q CONTINUE.

16 A YES, 1C AND 1D ALSO ARE FAMILIAR.

17 Q AND THOSE ARE THE ONES THAT YOU GOT AT THE
18 MEETING ON JUNE 11TH?

19 A YES.

20 Q ALL RIGHT. THANK YOU.

21 NOW, SUBSEQUENT TO THAT MEETING DID THE
22 F.B.I. INVESTIGATION CONTINUE?

23 A YES.

24 Q AND WHAT DID YOU DO SUBSEQUENT TO THAT? IF
25 OTHER AGENTS CONTRIBUTED ACTIVITIES, PLEASE

1 IDENTIFY THEM.

2 A I INITIATED A CRIMINAL INVESTIGATION BASED ON
3 THE INFORMATION THAT WE LEARNED AT THAT MEETING.

4 Q AND DID YOU OBTAIN ANY FURTHER DATA?

5 A WE WERE PROVIDED WITH A BINDER THAT, A SMALL
6 BINDER THAT DETAILED NETLOGIC'S INTERNAL
7 INVESTIGATION, THAT THEY HAD BEEN CONDUCTING ON
8 LAN LEE.

9 Q AND DID YOU ULTIMATELY SEEK TO SET UP?

10 MR. NOLAN: YOUR HONOR, COULD THE JURY BE
11 INSTRUCTED THAT THIS ISN'T FOR THE TRUTH OF THE
12 MATTER BUT WHAT HE DID AND WHY HE DID IT.

13 THE COURT: THERE'S NO QUESTION AS TO
14 WHAT ANY PERSON OR DOCUMENT SAID.

15 AT THIS POINT HE'S JUST DESCRIBING WHAT
16 HE RECEIVED.

17 MR. NOLAN: HE SAID HE RECEIVED SOMETHING
18 THAT WAS A DETAILED INVESTIGATION BY SAFIRROSETTI.
19 THAT'S WHAT I'M CONCERNED ABOUT NOT COMING IN FOR
20 THE TRUTH.

21 THE COURT: HE SAID HE RECEIVED A BINDER
22 THAT WAS NETLOGIC'S INTERNAL INVESTIGATION.

23 MR. NOLAN: AND THEN HE SAID A DETAILED
24 INVESTIGATION BY SAFIRROSETTI AND THAT GOES, I
25 THINK, TO THE TRUTH OF THE MATTER WHICH IS WHAT I

1 WAS CONCERNED ABOUT, BUT --

2 THE COURT: I SEE. PERHAPS THE WORD
3 "DETAILED" IS THE QUESTION AS TO WHETHER IT
4 CONTAINED THE INVESTIGATION OR WHETHER OR NOT IT
5 WAS A CHARACTERIZATION OF THE INVESTIGATION.

6 BY MR. PARRELLA:

7 Q WELL, IN ANY CASE, AGENT, YOU RECEIVED THIS
8 BINDER ON JUNE 11TH, 2003?

9 A YES, I DID.

10 Q AND ULTIMATELY DID YOU SEEK TO SET UP
11 INTERVIEWS AND MEETINGS, AND/OR MEETINGS WITH
12 LAN LEE AND YUEFEI GE?

13 A EVENTUALLY, YES.

14 Q AND WHEN DID YOU SEEK TO DO THAT?

15 A THE MEETING WAS SET FOR JULY 29TH OF 2003.

16 Q DID YOU MAKE ANY PREPARATIONS FOR THAT
17 MEETING?

18 A YES.

19 Q AND WHAT DID YOU DO?

20 A WE REVIEWED -- I REVIEWED, AS WELL AS OTHER
21 AGENTS IN THE OFFICE, REVIEWED INFORMATION PROVIDED
22 BY NETLOGIC WHICH CONTAINED SOME INFORMATION FROM
23 SAFIRROSETTI, AND WE DEVELOPED OUR INTERVIEW
24 STRATEGY.

25 Q AND DID YOU COME UP WITH -- WITHDRAWN. BLESS

1 YOU.

2 DID YOU SEEK ASSISTANCE FROM NETLOGIC
3 MICROSYSTEMS REGARDING THE QUESTIONS YOU MIGHT ASK?

4 A YES.

5 Q AND HOW DID YOU DO THAT?

6 A WELL, WE SOUGHT TO UNDERSTAND WHAT THEIR
7 SENSITIVE INTELLECTUAL PROPERTY WAS SO THAT WE
8 COULD ASK THE PROPER QUESTIONS TO DETERMINE IF ANY
9 INTELLECTUAL PROPERTY HAD BEEN MISAPPROPRIATED, AND
10 THEY GAVE US SOME OF -- AT THAT MEETING ROLAND
11 CORTES GAVE US SOME GUIDANCE ON THAT.

12 Q AND DID THERE COME A TIME WHEN YOU, IN FACT,
13 ARRANGED TO MEET WITH YUEFEI GE AND LAN LEE?

14 A YES.

15 Q AND WHAT DATE WAS THAT?

16 A JULY 29TH, 2003.

17 Q AND CAN YOU TELL US WHAT HAPPENED ON THAT DAY?

18 A BOTH MYSELF AND SPECIAL AGENT CHRISTIAN CANO
19 BOTH SOUGHT TO INTERVIEW LAN TOGETHER AND THEN
20 SUBSEQUENTLY INTERVIEW YUEFEI GE TOGETHER. AND
21 THAT DIDN'T OCCUR.

22 Q AND DID YOU ULTIMATELY INTERVIEW -- WITHDRAWN.

23 DID YOU ULTIMATELY MEET WITH LAN LEE ON
24 JULY 29TH, 2003?

25 A YES.

1 Q AND WERE YOU ALONE?

2 A YES.

3 Q AND TO YOUR KNOWLEDGE DID AGENT CANO MEET WITH
4 YUEFEI GE?

5 A YES.

6 Q AND WAS IT AT THE SAME TIME OR A DIFFERENT
7 TIME OR --

8 A ROUGHLY SIMULTANEOUSLY, YES.

9 Q AND WHERE DID THESE MEETINGS OCCUR?

10 A THESE OCCURRED AT NETLOGIC MICROSYSTEMS SPACE
11 IN MOUNTAIN VIEW BUT AT A DECOMMISSIONED AREA WHERE
12 THERE WEREN'T OTHER EMPLOYEES.

13 Q OKAY. AND WERE BOTH OF THESE INTERVIEWS IN
14 THAT DECOMMISSIONED AREA?

15 A YES.

16 Q AND WAS THAT THE SAME AREA AS THE REST OF THE
17 EMPLOYEES?

18 A IT WAS NOT.

19 Q HOW FAR AWAY WAS IT?

20 A JUST ACROSS THE PARKING LOT.

21 Q OKAY. WHAT TIME OF DAY WAS THIS, BY THE WAY?

22 A AFTERNOON, 1:00 O'CLOCK, APPROXIMATELY.

23 Q AND IN THE COURSE OF THAT MEETING DID YOU
24 REQUEST A CONSENT TO SEARCH LAN LEE'S HOME
25 COMPUTERS FROM LAN LEE?

1 A YES.

2 Q AND DID YOU USE A FORM?

3 A YES.

4 Q SHOWING THE WITNESS GOVERNMENT 20. COULD YOU
5 LOOK AT THAT AND TELL US WHAT IT IS?

6 A THIS IS AN FD-26. THE DOCUMENT IS SIGNED BY
7 MYSELF AND BY A WITNESSING AGENT AND ALSO SIGNED BY
8 MR. LAN LEE.

9 Q AND WHAT DOES THAT -- IS THAT THE ORIGINAL
10 DOCUMENT BY THE WAY?

11 A IT APPEARS TO BE.

12 Q AND WAS THAT DOCUMENT EXPLAINED TO MR. LEE
13 PRIOR TO HIS SIGNATURE?

14 A YES.

15 Q AND WHO DID THAT?

16 A I DID.

17 Q AND DID YOU AGREE TO CONSENT TO THE SEARCH OF
18 THE COMPUTERS THAT ARE NOTED ON THERE?

19 A YES.

20 MR. PARRELLA: YOUR HONOR, I'LL OFFER
21 THAT AS GOVERNMENT'S EXHIBIT 20.

22 THE COURT: EXHIBIT 20 IS IN EVIDENCE.

23 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 20,
24 HAVING BEEN PREVIOUSLY MARKED FOR
25 IDENTIFICATION, WAS ADMITTED INTO

1 EVIDENCE.)

2 MR. PARRELLA: COULD WE CALL THAT UP,
3 PLEASE.

4 MR. NOLAN: COULD WE HAVE A BRIEF MOMENT
5 AT THE BENCH, YOUR HONOR?

6 THE COURT: I'M SORRY?

7 MR. NOLAN: COULD WE HAVE A BRIEF MOMENT
8 AT THE BENCH?

9 THE COURT: COUNSEL APPROACH.

10 (SIDE-BAR CONFERENCE.)

11 MR. NOLAN: THANK YOU, YOUR HONOR.

12 BY MR. PARRELLA:

13 Q SO TAKE A LOOK AT THE FIRST PAGE ON THAT. WHO
14 FILLED ITEMS -- ON ITEM NUMBER 1 THERE'S A LISTING
15 OF 1, 2, 3 WITH SOME ITEMS NEXT TO IT.

16 WHO FILLED THAT OUT?

17 A I BELIEVE THAT'S MR. LEE FILLED THAT OUT
18 IDENTIFYING HIS THREE COMPUTERS.

19 Q AND UNDERNEATH IT WHERE THERE'S A SIGNATURE
20 BLOCK AND A DATE, WHO FILLED THAT OUT?

21 A MR. LEE.

22 Q AND UNDER THAT THERE'S A WITNESS SIGNATURE,
23 WHOSE SIGNATURE IS THAT?

24 A MYSELF.

25 Q AND NOW, IF YOU TURN IT OVER -- IF WE GO TO

1 THE NEXT PAGE. HOW IS THIS -- WAS THIS SECOND PAGE
2 UTILIZED DURING THE COURSE OF THAT NIGHT?

3 A YES.

4 Q HOW WAS IT UTILIZED?

5 A I BELIEVE THAT THIS WAS SIGNED ON
6 MR. LAN LEE'S PREMISES AT HIS RESIDENCE.

7 Q SO IT'S FAIR TO SAY THAT THAT WAS USED AFTER
8 THE SEARCH?

9 A YES, I BELIEVE SO.

10 Q AND DID LAN LEE SIGN THAT?

11 A IT LOOKS LIKE HIS SIGNATURE DOWN BELOW.

12 Q SET THAT ASIDE NOW.

13 SO AFTER YOU OBTAINED THE CONSENT TO
14 SEARCH, WHAT DID YOU DO?

15 A I TRAVELLED TO MR. LEE'S HOME AND FOLLOWED
16 MR. LEE AND MET WITH COMPUTER FORENSICS AGENT FROM
17 THE F.B.I. AT HIS HOME IN PALO ALTO.

18 Q AND HOW WAS THE SEARCH EFFECTUATED?

19 A SO MR. LEE ALLOWED US ENTRY INTO HIS HOME. WE
20 WENT INTO HIS OFFICE, AND WE BEGAN CREATING A COPY
21 IMAGING THREE OTHER COMPUTERS THAT HE HAD. WE
22 ATTEMPTED TO DO THREE OTHER COMPUTERS THAT HE
23 OWNED.

24 Q WERE YOU ABLE TO DO THOSE THREE COMPUTERS?

25 A WE WERE ABLE TO IMAGE A DESKTOP --

1 MR. NOLAN: OBJECTION, YOUR HONOR.

2 AGAIN, "WE" AND "I."

3 BY MR. PARRELLA:

4 Q WELL, WAS --

5 THE COURT: I'LL SUSTAIN FOR VAGUENESS.

6 BY MR. PARRELLA:

7 Q WAS THE TEAM ABLE TO IMAGE ALL THREE OF THOSE
8 COMPUTERS?

9 A NO, WE WERE -- NO, I WAS NOT. I'M NOT THE
10 COMPUTER EXPERT, BUT THE CART EXAMINER WAS NOT ABLE
11 TO EXAMINE THEM.

12 Q SO TELL US WHAT A CART EXAMINER IS IN THE
13 F.B.I.?

14 A A CART EXAMINER IS A COMPUTER FORENSICS
15 EXPERT.

16 Q AND THERE WAS AN AGENT WHO WAS A CART AGENT
17 PRESENT AT THAT SCENE AT THAT TIME?

18 A YES.

19 Q AND SO TELL US AGAIN WERE THE THREE COMPUTERS
20 CAPABLE OF BEING IMAGED?

21 A NO.

22 Q WERE ANY OF THEM?

23 A MR. LEE'S PERSONAL DESKTOP WAS IMAGED ON SITE.
24 HIS LAPTOP COMPUTER COULD NOT BE IMAGED, HOWEVER,
25 WE WERE ABLE TO MAKE C.D. COPIES OF MOST OF THE

1 INFORMATION ON THAT COMPUTER.

2 HE ALSO OWNED A NOTEBOOK COMPUTER, AND I
3 BELIEVE IT WAS INOPERABLE BUT MR. LEE SIGNED A
4 RECEIPT FORM AND ALLOWED US TO TAKE THAT TO OUR LAB
5 TO ANALYZE IT.

6 Q I'M GOING TO SHOW YOU GOVERNMENT'S EXHIBIT 22.
7 TAKE A LOOK AT THAT, PLEASE, AND TELL US WHAT THAT
8 DOCUMENT IS?

9 A THIS IS AN FD-597. IT'S A RECEIPT OF PROPERTY
10 RETURNED OR RELEASED.

11 Q AND IS THAT -- WAS THAT UTILIZED ON JULY 29TH,
12 2003?

13 A THIS IS THE RETURN RECEIPT DATED JULY 30TH.

14 Q SORRY. LET ME SHOW YOU WHAT HAS BEEN MARKED
15 GOVERNMENT'S EXHIBIT 23. WHAT IS THAT?

16 A GOVERNMENT'S EXHIBIT 23 IS ALSO AN FD-597.
17 IT'S A RECEIPT FOR PROPERTY RETURNED OR RELEASED
18 AND IT'S DATED JULY 30, 2003.

19 Q AND WAS THAT UTILIZED ON JULY 29TH, 2003?

20 A YES.

21 Q AND HOW WAS IT UTILIZED?

22 A THIS WAS GIVEN TO MR. LEE IN RETURN FOR TAKING
23 HIS COMPUTER TO THE LABORATORY.

24 Q AND IS THAT THE ORIGINAL, BY THE WAY?

25 A IT APPEARS TO BE.

1 Q AND DID MR. LEE SIGN THAT?

2 A IF APPEARS TO BE HIS SIGNATURE.

3 Q AND DID YOU SIGN THAT?

4 A YES.

5 MR. PARRELLA: AND WE'LL OFFER THAT AS
6 GOVERNMENT'S EXHIBIT 23.

7 THE COURT: 23 IS IN EVIDENCE.

8 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 23,
9 HAVING BEEN PREVIOUSLY MARKED FOR
10 IDENTIFICATION, WAS ADMITTED INTO
11 EVIDENCE.)

12 MR. PARRELLA: THANK YOU.

13 Q AND WERE ANY OTHER ITEMS TAKEN OTHER THAN THE
14 SONY VAIO NOTEBOOK COMPUTER?

15 A NO.

16 Q NOW, I WANT TO RETURN TO THE SAME NIGHT, JULY
17 29TH, 2003. AT THAT TIME WAS YUEFEI GE PRESENT AS
18 WELL AT THE NETLOGIC SITE?

19 A YES.

20 Q AND DID HE SIGN A CONSENT TO SEARCH FORM?

21 A YES.

22 Q AND WAS THAT DONE -- WAS THAT COMPLETED BY
23 YOU?

24 A I BELIEVE SPECIAL AGENT CANO INITIALLY
25 PRESENTED THAT TO MR. GE.

1 Q DID ULTIMATELY YOU INTERACT WITH THAT FORM?

2 A YES.

3 Q I'LL SHOW THE WITNESS GOVERNMENT'S EXHIBIT 21.
4 CAN YOU TELL US WHAT THAT FORM IS, PLEASE?

5 A THIS IS AN FD-26.4A.

6 Q AND WHAT IS THAT?

7 A THIS IS ALSO A CONSENT TO SEARCH FORM, BUT
8 IT'S WRITTEN IN CHINESE SIMPLIFIED CHARACTERS.

9 Q OKAY. NOW, DID YOU WITNESS THE SIGNATURE OF
10 THAT FORM?

11 A YES.

12 Q AND HOW DID YOU DO THAT?

13 A WE COMPARED IT WITH A STANDARD FD-26.4 WRITTEN
14 IN ENGLISH.

15 Q SO WHAT DID YOU DO -- WITHDRAWN.

16 WERE YOU PRESENT DURING THE SIGNING OF
17 THIS DOCUMENT?

18 A YES.

19 Q AND THE COMPLETION OF THIS DOCUMENT?

20 A YES.

21 Q SO --

22 A I WAS PRESENT WHEN WE WERE AT MR. GE'S HOUSE
23 COPYING HIS COMPUTERS.

24 Q SO HAD THIS DOCUMENT ALREADY BEEN SIGNED BY
25 MR. LEE -- I'M SORRY -- MR. GE WHEN YOU SAW IT?

1 A SOME OF THE INFORMATION ON THE FRONT SIDE
2 WHICH IDENTIFIES AN E-MAIL ACCOUNT MAY HAVE BEEN
3 FILLED OUT PRIOR TO ME INTERACTING AT THIS POINT.

4 Q AND DID YOU SIGN THAT DOCUMENT AT ALL?

5 A I SIGNED THE BACK PAGE.

6 Q OKAY. THANK YOU. YOU CAN SET THAT ASIDE.

7 ON THE SAME NIGHT, JULY 29TH, 2003, WAS A
8 SEARCH CONDUCTED AT MR. GE'S RESIDENCE?

9 A YES.

10 Q AND WHAT WAS DONE THERE?

11 A AN ATTEMPT TO IMAGE TWO PERSONAL COMPUTERS WAS
12 MADE BY A CART EXAMINER WITH MYSELF PRESENT AND TWO
13 OTHER AGENTS PRESENT.

14 Q AND WERE YOU ABLE TO IMAGE THOSE COMPUTERS
15 SUCCESSFULLY?

16 A I BELIEVE THAT ONE COMPUTER WAS IMAGED
17 SUCCESSFULLY, AND ONE WAS EITHER INOPERABLE OR DID
18 NOT CONTAIN DATA.

19 Q OKAY. NOW, LET'S MOVE TO THE NEXT DAY, JULY
20 30TH, 2003.

21 DID YOU MEET WITH LAN LEE AGAIN ON THAT
22 DAY?

23 A YES.

24 Q AND HOW DID THAT COME ABOUT?

25 A I HAD ARRANGED WITH MR. LEE TO RETURN HIS

1 NOTEBOOK COMPUTER AND I TRAVELLED TO HIS HOME, AND
2 UPON ARRIVING THERE, MR. LEE WAS NOT THERE.

3 SO I CALLED HIM AND HE ADVISED THAT HE
4 HAD BEEN DETAINED IN HIS CHILD'S SPORTING EVENT AND
5 AGREED TO COME TO THE PALO ALTO RESIDENT AGENCY OF
6 THE F.B.I. TO COME TO COLLECT THE COMPUTER.

7 Q AND, AGAIN, COULD YOU TAKE A LOOK AGAIN AT
8 GOVERNMENT'S EXHIBIT 22.

9 DID YOU RETURN THAT COMPUTER TO HIM ON
10 THAT DAY?

11 A YES.

12 Q AND WHICH COMPUTER OF THE THREE THAT YOU
13 MENTIONED THAT THE F.B.I. HAD REVIEWED?

14 A IT'S THE SONY VAIO NOTEBOOK COMPUTER.

15 Q AND DID YOU UTILIZE GOVERNMENT'S EXHIBIT 22 ON
16 JULY 30TH, 2003?

17 A YES.

18 Q AND HOW DID YOU UTILIZE THAT?

19 A I PRESENTED IT WITH THE BAR CODE FROM THE
20 COMPUTER TO VERIFY THAT MR. LEE WAS IN RECEIPT OF
21 HIS PROPERTY.

22 Q AND DID HE SIGN THAT?

23 A YES.

24 Q CAN WE SEE IT, PLEASE.

25 AND CAN WE SEE THE SIGNATURE BELOW.

1 AND DID YOU ALSO SIGN THAT?

2 A YES.

3 Q AND WHERE DID YOU SIGN THAT?

4 A IN THE "RECEIVED FROM" LINE.

5 Q AND DID MR. LEE SIGN THAT?

6 A YES, HE DID.

7 Q AND WHERE DID HE SIGN?

8 A IN THE "RECEIVED BY."

9 Q AND WAS ANYBODY ELSE PRESENT DURING THAT
10 MEETING?

11 A NO.

12 Q DID YOU HAVE A CONVERSATION WITH MR. LEE AT
13 THAT TIME?

14 A A SHORT CONVERSATION, YES.

15 Q AND WHAT DID YOU SAY AND WHAT DID HE SAY, IF
16 YOU RECALL?

17 A I RECALL THE MEETING BEING CONDUCTED OUTSIDE
18 OF THE BUILDING AND POSSIBLY 10 TO 15 MINUTES, AND
19 I RECALL THAT MR. LEE CONTINUED TO EXPLAIN MANY OF
20 THE SAME THINGS THAT HE HAD THE DAY BEFORE.

21 NO NEW INFORMATION WAS CONVEYED TO ME.

22 Q NOW, ON -- WE MOVE TO AUGUST 4TH, 2003.

23 A OKAY.

24 Q DID YOU MEET WITH LAN LEE AGAIN?

25 A YES.

1 Q AND WHERE DID THAT OCCUR?

2 A AT THE PALO ALTO RESIDENT AGENCY OF THE F.B.I.

3 Q AND HOW DID THAT COME ABOUT?

4 A MR. LEE HAD CONTACTED ME AND WANTED TO PROVIDE
5 THE F.B.I. WITH A CERTIFICATE OF DISSOLUTION FOR
6 THE STATE OF DELAWARE FOR HIS COMPANY, SICO
7 MICROSYSTEMS INCORPORATED.

8 Q WHEN HAD HE CONTACTED YOU? WHEN HAD HE
9 CONTACTED YOU?

10 A I DON'T RECALL EXACTLY WHEN HE CONTACTED ME.

11 Q AND HOW DID HE CONTACT YOU?

12 A VIA TELEPHONE.

13 Q AND SO APPROXIMATELY WHAT TIME ON AUGUST 4TH,
14 2003 DID YOU MEET?

15 A I DON'T RECALL THE TIME OF THE MEETING.

16 Q AND HOW LONG WAS THIS MEETING?

17 A VERY BRIEF AS WELL.

18 Q AND WAS ANYBODY ELSE PRESENT?

19 A NO.

20 Q AND ANY CONVERSATION DURING THE MEETING?

21 A MR. LEE -- AS AN F.B.I. AGENT, MY JOB IS TO
22 LISTEN AND MR. LEE WANTED --

23 MR. NOLAN: OBJECTION, YOUR HONOR.

24 THE COURT: SUSTAINED. NONRESPONSIVE.

25 BY MR. PARRELLA:

1 Q PLEASE TELL US THE CONVERSATION OF THE
2 MEETING.

3 A MR. LEE PROVIDED ME WITH A CERTIFICATE OF
4 DISSOLUTION FROM THE STATE OF DELAWARE FOR SICO
5 MICROSYSTEMS, INCORPORATED.

6 Q AND WHEN WAS THAT DATED, IF YOU RECALL?

7 A I BELIEVE IT WAS AUGUST 4TH, 2003.

8 Q THANK YOU. NOW, LET ME MOVE TO SEPTEMBER
9 12TH, 2003. LET ME DIRECT YOUR ATTENTION THERE.

10 WAS THE INVESTIGATION CONTINUING BETWEEN
11 THE DATE OF AUGUST 4TH AND NOVEMBER 12TH, 2003?

12 A YES.

13 Q AND ON SEPTEMBER 12TH, 2003, DID YOU HAVE
14 ANOTHER MEETING WITH LAN LEE?

15 A YES.

16 Q HOW DID THAT COME ABOUT?

17 A I CONTACTED MR. LEE AND ASKED IF HE WOULD BE
18 WILLING TO MEET WITH ME AT THE F.B.I.'S PALO ALTO
19 RESIDENT AGENCY TO BE INTERVIEWED.

20 Q AND WHAT HAPPENED?

21 A HE AGREED AND HE MET US, MYSELF AND SPECIAL
22 AGENT CANO, AT THE PALO ALTO RESIDENT AGENCY.

23 Q AND DID YOU HAVE A CONVERSATION REGARDING
24 SUBSTANTIVE MATTERS?

25 A YES.

1 Q AND CAN YOU TELL US WHAT, IN SUM AND
2 SUBSTANCE, WHAT WAS SAID BY YOU AND WHAT MR. LEE'S
3 RESPONSES WERE?

4 A YES. WE DISCUSSED VARIOUS ROLES OF MR. LEE AT
5 NETLOGIC, AND ONE OF THE THINGS THAT HE STATED WAS
6 THAT HE PARTICIPATED IN THE DESIGN OF THE CAM3 CHIP
7 AT NETLOGIC AS PART OF HIS EMPLOYMENT.

8 HE ALSO ADVISED THAT HE HAD BEEN ISSUED A
9 COPY OF THE CAM3 DATA SHEETS AS PART OF HIS WORK ON
10 THE PROJECT.

11 HE NEVER DOWNLOADED -- HE ADVISED THAT HE
12 NEVER DOWNLOADED ANY OF THE DATA SHEETS ONTO HIS
13 HOME COMPUTER.

14 AND HE ALSO AFFIRMED THAT HE UNDERSTOOD
15 NETLOGIC'S CONFIDENTIALITY POLICIES REQUIRING THAT
16 THE COMPANY'S INFORMATION REMAIN CONFIDENTIAL.

17 MR. LEE EXPLAINED THAT HE HAD NEVER USED,
18 POSSESSED OR ALTERED THE CAM3 DATA SHEET OUTSIDE
19 NETLOGIC'S WORK SPACE.

20 HE ALSO EXPLAINED THAT HE NEVER HAD SEEN
21 AN ALTERED FORM OF ANY OF THESE DATA SHEETS FOUND
22 ON MR. GE'S COMPUTERS AND HE DID NOT KNOW OF
23 XIAODONG YANG'S TRANSLATION OF THESE DATA SHEETS.

24 HE WAS UNAWARE OF HOW NETLOGIC'S --

25 MR. SWANSON: YOUR HONOR, IF WE COULD

1 JUST BE CLEAR IF THE AGENT IS REFRESHING HIS
2 RECOLLECTION FROM A REPORT OR IF HE'S TESTIFYING
3 FROM MEMORY?

4 THE WITNESS: I'M READING THE REPORT.

5 THE COURT: YES, THAT'S A FAIR
6 OBSERVATION.

7 ANY TIME YOU'RE TESTIFYING, YOU CAN
8 TESTIFY FROM YOUR MEMORY.

9 IF YOU CAN'T REMEMBER, YOU CAN REFRESH
10 YOUR MEMORY BY READING A DOCUMENT.

11 IF THE DOCUMENT DOESN'T REFRESH YOUR
12 MEMORY AND WHAT YOU'RE DOING ESSENTIALLY IS READING
13 THE DOCUMENT, THEN THE DOCUMENT BECOMES THE
14 EVIDENCE THAT WE NEED TO CONSIDER.

15 SO YOU CAN LOOK AT A DOCUMENT TO REFRESH
16 YOUR OWN RECOLLECTION, BUT IF IT DOESN'T REFRESH
17 YOUR RECOLLECTION, THEN THE DOCUMENT ITSELF BECOMES
18 THE EVIDENCE.

19 AND SO WE NEED TO KNOW WHICH WE'RE
20 RECEIVING, EITHER YOUR MEMORY, YOUR MEMORY
21 REFRESHED BY LOOKING AT A DOCUMENT, OR THE
22 INFORMATION THAT IS IN A DOCUMENT.

23 WHY DON'T YOU REPHRASE YOUR QUESTION AND
24 WE CAN ACTUALLY HAVE YOU LAY A FOUNDATION AS TO
25 WHETHER HE HAS AN INDEPENDENT RECOLLECTION OR NEEDS

1 TO REFRESH HIS RECOLLECTION.

2 MR. SWANSON: YOUR HONOR, IF WE COULD
3 JUST STRIKE THE PREVIOUS TESTIMONY?

4 THE COURT: YES. THE JURY WILL DISREGARD
5 THE TESTIMONY THAT WITH RESPECT TO THE EVENTS THAT
6 TOOK PLACE AND THE CONVERSATION ON SEPTEMBER 12TH,
7 2003.

8 BUT YOU'RE FREE TO GO BACK TO THAT AND --

9 MR. PARRELLA: THANK YOU. I WON'T --
10 WELL, YES, YOUR HONOR.

11 Q DO YOU HAVE AN INDEPENDENT RECOLLECTION OF THE
12 CONVERSATION THAT OCCURRED ON JULY -- I'M SORRY --
13 SEPTEMBER 12TH, 2003 BETWEEN YOURSELF, AGENT CANO,
14 AND LAN LEE?

15 A CERTAIN DETAILS OF THAT.

16 Q AND ARE YOU USING THE REPORT TO REFRESH YOUR
17 RECOLLECTION?

18 A YES.

19 Q AND SO WHEN YOU'RE TESTIFYING, YOU'RE NOT
20 SUBSTITUTING YOUR REPORT FOR YOUR RECOLLECTION?

21 A CORRECT.

22 MR. PARRELLA: SO, YOUR HONOR, I WOULD
23 SEEK TO REINTRODUCE, RATHER THAN GOING BACK OVER
24 THE PRIOR SEVEN QUESTIONS, REINTRODUCE THOSE INTO
25 THE RECORD.

1 MR. NOLAN: YOUR HONOR, I THINK HE SHOULD
2 BE ASKED SPECIFICALLY WHAT HE REMEMBERS, AND IF HE
3 DOESN'T, THEN HE CAN REFRESH.

4 BUT I DON'T THINK HE SHOULD BE ALLOWED TO
5 REFRESH BEFORE WE DETERMINE WHETHER HE KNOWS WHAT
6 THE ANSWER IS.

7 MR. PARRELLA: WELL, THOSE MIGHT BE
8 QUESTIONS FOR CROSS, YOUR HONOR, BUT WE SUBMIT THAT
9 WE HIT THE STANDARD FOR DIRECT.

10 THE COURT: IT IS IMPORTANT, GIVEN THE
11 FACT THAT WE'RE NOW TALKING ABOUT STATEMENTS THAT
12 WERE MADE BY ONE OF THE PARTIES TO THE CASE, TO
13 HAVE A CLEAR UNDERSTANDING AS TO WHETHER OR NOT
14 THIS IS COMING FROM THE AGENT'S RECOLLECTION OR
15 FROM SOMETHING THAT HE NOW IS RELYING ON A REPORT
16 FOR.

17 SO IT WASN'T THAT LONG, SO I'LL HAVE YOU
18 GO BACK OVER IT RATHER THAN SIMPLY ADOPTING IT.

19 SO WHEN YOU ARE ANSWERING QUESTIONS,
20 INDICATE TO US WHEN THE QUESTION IS ASKED, "I NOW
21 NEED TO REFRESH MY RECOLLECTION."

22 YOU CAN LOOK AT THE REPORT, AND THEN
23 AFTER YOU HAVE DONE THAT AND IT REFRESHES YOUR
24 RECOLLECTION, THEN YOU CAN ANSWER THE QUESTION.

25 IF IT DOESN'T, YOU CAN SAY "I DON'T HAVE

1 AN INDEPENDENT RECOLLECTION AND THE REPORT DOESN'T
2 REFRESH ME ON IT."

3 IT MAY BE THAT WE'LL PUT THE REPORT
4 SOMEHOW BEFORE THE TRIER OF FACT OR NOT.

5 SO YOU SHOULD TELL US WHAT YOU REMEMBER.

6 GO AHEAD, COUNSEL.

7 BY MR. PARRELLA:

8 Q SO LET'S GO BACK TO THE BEGINNING OF THE
9 INTERVIEW.

10 CAN YOU TELL US, BASED UPON YOUR
11 RECOLLECTION WHAT -- HOW YOU RECALL THE INTERVIEW
12 BEGINNING?

13 A YES. I ASKED MR. LEE IF HE WOULD COME TO AN
14 INTERVIEW AT THE PALO ALTO RESIDENT AGENCY AND HE
15 AGREED.

16 Q AND WHAT DID YOU DISCUSS?

17 A MYSELF AND SPECIAL AGENT CANO DISCUSSED HIS
18 ROLE AT NETLOGIC.

19 MR. NOLAN: OBJECTION, YOUR HONOR.

20 THE COURT: OVERRULED.

21 BY MR. PARRELLA:

22 Q AND CAN YOU TELL US WHAT MR. LEE SAID?

23 A HE DISCUSSED SOME OF THE VARIOUS PROJECTS THAT
24 HE WORKED ON AT NETLOGIC.

25 Q AND WHAT WERE THOSE? DID HE TELL YOU?

1 A ONE OF THOSE WAS THE CAM3 PROJECT.

2 Q DID YOU KNOW WHAT THE CAM3 PROJECT WAS AT THAT
3 POINT?

4 A I BELIEVE AT THAT POINT WE HAD A ROUGH
5 UNDERSTANDING OF WHAT THE CAM3 WAS.

6 Q AND WHAT WAS THAT UNDERSTANDING?

7 A THAT IT WAS THE SAME AS THE NSE 5512 LINE.

8 Q NOW, CONTINUE WITH THE CONVERSATION. TELL US
9 WHAT WAS SAID NEXT, IF YOU RECALL.

10 A I NEED TO REFRESH.

11 Q OKAY. SO REFRESH YOUR RECOLLECTION AND THEN
12 LOOK UP, PLEASE.

13 (PAUSE IN PROCEEDINGS.)

14 THE WITNESS: WE ASKED MR. -- I ASKED
15 MR. LEE IF HE UNDERSTOOD THE CONDITIONS OF HIS
16 EMPLOYMENT AGREEMENT, AND PARTICULARLY THE
17 CONFIDENTIALITY PORTION OF THAT, AND HE AFFIRMED
18 THAT HE DID.

19 AND THAT INCLUDED THE NSE 5512 DATA
20 SHEETS AND HE AFFIRMED THAT HE UNDERSTOOD THAT THEY
21 WERE NOT TO BE ALTERED OR PASSED TO ANYONE OUTSIDE
22 OF NETLOGIC.

23 BY MR. PARRELLA:

24 Q AND CONTINUE ON WITH THE CONVERSATION. IF YOU
25 NEED TO REFRESH YOUR RECOLLECTION, PLEASE LOOK DOWN

1 AND LOOK UP AGAIN.

2 THE COURT: JUST TELL US THAT YOU ARE
3 REFRESHING YOUR RECOLLECTION.

4 THE WITNESS: I DO NEED TO REFRESH MY
5 RECOLLECTION, YOUR HONOR.

6 (PAUSE IN PROCEEDINGS.)

7 THE WITNESS: MR. LEE ADVISED THAT HE
8 NEVER ALTERED THE NSE 5512 DATA SHEETS AND HE DID
9 NOT UNDERSTAND OR KNOW HOW IT COULD HAVE BEEN
10 ALTERED OR THAT THE NETLOGIC MARKINGS COULD HAVE
11 BEEN REMOVED.

12 BY MR. PARRELLA:

13 Q SO CONTINUE AGAIN. IF YOU NEED TO REFRESH
14 YOUR RECOLLECTION, JUST TELL US YOU'RE REFRESHING
15 IT.

16 A YES, I'D LIKE TO REFRESH MY RECOLLECTION.

17 Q OKAY. GO AHEAD.

18 (PAUSE IN PROCEEDINGS.)

19 THE WITNESS: MR. LEE DID RECALL
20 PARTICIPATING IN THE CUTTING AND PASTING OF THE
21 PORTIONS OF A NETLOGIC MICROSYSTEMS DOCUMENT.

22 HOWEVER, HE DOESN'T MENTION WHICH
23 DOCUMENT THAT HE WAS USING.

24 HE WAS DOING SO WITH MR. GE AND
25 MR. XIAODONG YANG.

1 BY MR. PARRELLA:

2 Q SO CONTINUE. IF YOU NEED TO REFRESH YOUR
3 RECOLLECTION, JUST TELL US.

4 A I'M REFRESHING MY RECOLLECTION.

5 (PAUSE IN PROCEEDINGS.)

6 THE WITNESS: MR. LEE DID RECALL TAKING A
7 SICO BUSINESS PLAN TO CHINA IN MAY OF 2002, BUT HE
8 DOES NOT RECALL IF THAT BUSINESS PLAN CONTAINED ANY
9 NETLOGIC DOCUMENTS OR ANY DOCUMENT FROM THE
10 NSE 5512 LINE.

11 BY MR. PARRELLA:

12 Q NOW, ABOUT HOW LONG WAS THIS CONVERSATION THAT
13 YOU HAD WITH MR. LEE ON SEPTEMBER 12TH, 2003?

14 A I'D HAVE TO ESTIMATE. I BELIEVE THE INTERVIEW
15 WAS AN HOUR AND A HALF OR SO.

16 Q OKAY. AND WHO WAS PRESENT?

17 A MYSELF AND SPECIAL AGENT CANO.

18 Q AND WHAT HAPPENED -- AND MR. LEE --

19 A I'M SORRY.

20 Q AND MR. LEE WAS ALSO PRESENT?

21 A MR. LEE WAS ALSO PRESENT, OF COURSE.

22 Q AND ANY PHONE CALLS MADE DURING THE COURSE OF
23 THAT?

24 A NO, NO PHONE CALLS.

25 Q AND WHAT HAPPENED AT THE END OF THAT MEETING?

1 A WE PARTED WAYS AND THERE WAS NO ADDITIONAL
2 INFORMATION CONVEYED.

3 Q SO MR. LEE WAS FREE TO LEAVE?

4 A YES.

5 Q AND NOW, UM, LET ME BRING YOU BACK AND DIRECT
6 YOUR ATTENTION BACK TO YUEFEI GE AND ALSO DIRECT
7 YOUR ATTENTION TO SEPTEMBER 10TH, 2003. SO THAT'S
8 TWO DAYS BEFORE THE INTERVIEW OF MR. LEE.

9 DO YOU RECALL THAT DATE?

10 A I DO.

11 Q AND ON THAT DATE DID YOU INTERVIEW MR. GE?

12 A I DID.

13 Q AND WHO WAS PRESENT AT THAT?

14 A MYSELF, SPECIAL AGENT CANO, AND YUEFEI GE.

15 Q AND WHERE DID THAT OCCUR?

16 A THIS INTERVIEW ALSO OCCURRED AT THE PALO ALTO
17 RESIDENT AGENCY.

18 Q AND HOW DID THAT COME ABOUT? IN OTHER WORDS,
19 HOW WAS IT SET UP?

20 A I NEED TO REFRESH MY RECOLLECTION.

21 Q OKAY.

22 (PAUSE IN PROCEEDINGS.)

23 THE WITNESS: I BELIEVE THAT MR. GE WAS
24 CONTACTED BY PHONE AND ASKED TO SUBMIT TO THE
25 INTERVIEW AT THE F.B.I.'S SPACE.

1 BY MR. PARRELLA:

2 Q AND WHAT TIME OF DAY, IF YOU RECALL?

3 A I DO NOT RECALL THE TIME OF DAY.

4 Q SO NOW, DO YOU RECALL THE INTERVIEW WITH
5 MR. GE ON SEPTEMBER 10TH, 2003?

6 A YES.

7 Q OKAY. SO I'M GOING TO ASK YOU TO TELL US THE
8 CONTENT OF THAT INTERVIEW.

9 AND IF YOU NEED TO REFRESH YOUR
10 RECOLLECTION, PLEASE TELL US YOU'RE DOING SO.

11 A OKAY.

12 Q SO PLEASE TELL US WHAT WAS BEING SAID?

13 A I WOULD LIKE TO REFRESH MY RECOLLECTION.

14 Q OKAY.

15 (PAUSE IN PROCEEDINGS.)

16 THE WITNESS: SO THIS INTERVIEW CONSISTED
17 OF IDENTIFYING WHICH PROJECTS SPECIFICALLY THAT
18 MR. GE WORKED ON AT NETLOGIC.

19 MR. GE CONFIRMED THAT HE WORKED ON THE
20 PEGASUS PROJECT AND THAT HE HAD BEEN PROVIDED A
21 WORKING HARD COPY OF THIS DATA SHEET FROM HIS
22 SUPERVISOR AT THE TIME.

23 MR. GE ALSO ADVISED THAT HE HAD
24 DOWNLOADED A COPY, ELECTRONIC VERSION OF THIS
25 PEGASUS DATA SHEET TO HIS HOME COMPUTER.

1 BY MR. PARRELLA:

2 Q CONTINUE WITH THE CONVERSATION.

3 A HE BELIEVED THAT HE DID DOWNLOAD THE DOCUMENT
4 IN AUGUST OR SEPTEMBER OF 2002.

5 I NEED TO REFRESH MY RECOLLECTION AGAIN.

6 Q OKAY.

7 (PAUSE IN PROCEEDINGS.)

8 THE WITNESS: MR. GE ADMITTED DURING THE
9 INTERVIEW THAT HE DID NOT ASK FOR PERMISSION TO
10 DOWNLOAD THIS DOCUMENT FROM HIS SUPERVISOR BEFORE
11 DOING SO.

12 BY MR. PARRELLA:

13 Q DID YOU DISCUSS THE CAM3 OR NSE 5512?

14 A WE DID, AND MR. GE ALSO ADMITTED THAT IN
15 SEPTEMBER OF 2002 HE DOWNLOADED A COPY OF THE GLC
16 DATA SHEET TO HIS COMPUTER.

17 Q SO CONTINUE WITH THE CONVERSATION AFTER THAT.

18 A MR. GE DIDN'T WORK ON THE GLC PROJECT AT THE
19 TIME, BUT HE WANTED TO LEARN MORE ABOUT IT AND THAT
20 WAS HIS RATIONALE FOR DOWNLOADING IT.

21 Q WHAT ELSE DID YOU DISCUSS AT THAT TIME?

22 A I'LL HAVE TO REFRESH MY RECOLLECTION.

23 (PAUSE IN PROCEEDINGS.)

24 THE WITNESS: MR. GE ALSO IN SEPTEMBER OF
25 2002 DOWNLOADED NETLOGIC'S THOR CHIP DESIGN DATA

1 SHEET TO HIS HOME COMPUTER WITHOUT AUTHORIZATION AS
2 WELL IN AN EFFORT TO LEARN MORE ABOUT THE DESIGN
3 FEATURES OF THIS PARTICULAR CHIP.

4 BY MR. PARRELLA:

5 Q WHAT IS THE THOR? DID YOU KNOW AT THAT TIME
6 WHAT THE THOR CHIP WAS?

7 A THE THOR CHIP IS THE NSE 5512 GLC DESIGNATOR.

8 Q OKAY.

9 A AND ACTUALLY THE THOR WAS THE NSE 5512, AND
10 THE NSE 5512 GLC IS THE CHIP USED FOR CISCO SYSTEMS
11 PRODUCTS.

12 Q AND YOU UNDERSTOOD THAT AT THAT POINT IN TIME?

13 A YES.

14 Q AND SO CONTINUE WITH THE CONVERSATION.

15 A DURING THE CONVERSATION MR. GE DISCUSSED
16 HAVING DISCUSSED A BUSINESS VENTURE WHILE FORMERLY
17 WORKING AT SUN MICROSYSTEMS WITH -- I'M REFRESHING
18 MY MEMORY HERE -- WITH ONE OF HIS COLLEGE
19 CLASSMATES, XIAODONG YANG.

20 AND LATER IN FEBRUARY OF 2002, AFTER
21 ACCEPTING EMPLOYMENT WITH NETLOGIC, MR. GE AND
22 MR. YANG DISCUSSED THIS SAME BUSINESS VENTURE WITH
23 LAN LEE.

24 Q AND DID HE TELL YOU ABOUT THE CONVERSATION
25 THAT HE HAD WITH LAN LEE AT THAT POINT?

1 A YEAH. MR. GE -- AND IF I COULD REFRESH MY
2 RECOLLECTION HERE -- HE QUOTED IN MARCH OF 2002
3 DURING A MEETING WITH MR. LEE AND MR. GE AND
4 MR. YANG, MR. LEE STATED THAT "WE COULD USE THE
5 TCAM DESIGN AS THE BASIS FOR OUR DESIGN."

6 AT THE TIME MR. LEE WAS WORKING ON
7 NETLOGIC'S TCAM4, T-C-A-M-4 NETWORK CO-PROCESSOR
8 CHIP.

9 Q DID YOU DISCUSS THE SICO MICROSYSTEMS ENTITY?

10 A YES.

11 Q AND SO CAN YOU TELL US WHAT WAS SAID ABOUT
12 THAT?

13 A MR. GE ADVISED THAT IN MARCH OF 2002 THAT SICO
14 BUSINESS PLAN WAS INITIALLY DRAFTED AT MR. GE'S
15 HOME, ALONG WITH MR. YANG AND MR. LEE.

16 Q AND WHAT ELSE, IF ANYTHING, WAS SAID?

17 A I NEED TO REFRESH MY RECOLLECTION ON THE
18 DETAILS ON THAT.

19 (PAUSE IN PROCEEDINGS.)

20 THE WITNESS: MR. GE ADMITTED THAT HE
21 BROUGHT AN ELECTRONIC VERSION OF THE NSE 5512 AND
22 THE NSE 5512 GLC DATA SHEETS, BOTH THAT HE
23 IDENTIFIED AS NETLOGIC INTELLECTUAL PROPERTY, TO
24 MR. YANG'S HOME WITH THE INTENT TO CUT AND PASTE
25 PORTIONS OF THESE DATA SHEETS TO THEIR BUSINESS

1 PLAN, TO SICO'S BUSINESS PLAN.

2 PORTIONS OF THE TEXT, AS WELL AS DIAGRAMS
3 FROM THE DATA SHEETS, WERE INCORPORATED INTO THE
4 SICO BUSINESS PLAN.

5 MR. GE STATED THAT BY USING THE DATA
6 SHEETS FROM NETLOGIC IT WOULD GIVE SICO'S BUSINESS
7 PLAN A, QUOTE, "JUMP START."

8 MR. GE FURTHER ADMITTED THAT HE HAD
9 ALTERED THESE SAME DATA SHEETS ON HIS HOME
10 COMPUTER. THESE ALTERATIONS INCLUDED THE REMOVAL
11 OF THE NETLOGIC CONFIDENTIAL DISCLAIMERS AND HEADER
12 AND FOOTER INFORMATION.

13 IN ONE INSTANCE ON ONE OF THE DOCUMENTS,
14 THE NSE 5512 GLC DESIGNATOR HAD BEEN CHANGED AND
15 REPLACED WITH THE WORD "SICO."

16 BY MR. PARRELLA:

17 Q OKAY. TELL US WHAT ELSE WAS SAID, IF
18 ANYTHING.

19 A IF I COULD JUST REFRESH MY RECOLLECTION.

20 (PAUSE IN PROCEEDINGS.)

21 THE WITNESS: MR. GE ADMITTED THAT IT WAS
22 SICO'S INTENTION, THAT IS, MR. LEE'S AND MR. GE'S
23 AND MR. YANG'S, TO REPRESENT THEIR PROPOSED CHIP
24 DESIGN BY UTILIZING INFORMATION DERIVED FROM THE
25 NSE 5512 AND THE NSE 5512 GLC DATA SHEETS.

1 HE BELIEVED THAT MR. GE WAS AWARE OF THE
2 ORIGINATION OF THESE DATA SHEETS AS HE UNDERSTOOD
3 THAT HE HAD PREVIOUSLY WORKED ON THE PROJECT WITH
4 REGULAR ACCESS TO THE SAME DATA SHEETS.

5 BUT WHILE DRAFTING THE BUSINESS PLAN AT
6 MR. YANG'S HOME, MR. LEE SUGGESTED THAT LEE, GEE,
7 AND YANG, THE SICO PARTNERS, USE PORTIONS OF THE
8 DATA SHEETS, TEXT AND DIAGRAMS, FOR THE SICO
9 BUSINESS PLAN.

10 BY MR. PARRELLA:

11 Q CONTINUE WITH THE CONVERSATION.

12 IF YOU NEED TO REFRESH YOUR RECOLLECTION,
13 JUST MENTION THAT YOU ARE.

14 A YES, I DO.

15 (PAUSE IN PROCEEDINGS.)

16 THE WITNESS: MR. LEE -- MR. GE REPORTED
17 THAT MR. LEE HAD FAXED HIS BUSINESS PLAN TO HIS
18 COUSIN, WHOSE NAME HE DID NOT PROVIDE, IN SHANGHAI,
19 P.R.C.

20 Q P.R.C.?

21 A PEOPLE'S REPUBLIC OF CHINA.

22 Q OKAY. WAS THAT MR. LEE'S -- OR MR. GE'S WORD
23 OR IS THAT YOUR SUMMARY?

24 A THAT WAS MY SUMMARY.

25 Q OKAY. USE HIS WORDS IF YOU CAN.

1 A I DON'T RECALL HIS EXACT WORDS. CHINA I
2 BELIEVE IS WHAT HE USED.

3 Q OKAY. SO LET'S CONTINUE THEN.

4 A MR. GE EXPLAINED THAT MR. LEE'S INTENTION WAS
5 TO IDENTIFY SOMEBODY THAT COULD SECURE VENTURE
6 CAPITAL FUNDING FOR SICO'S BUSINESS VENTURE IN
7 CHINA.

8 AND THEN IN APRIL OR MAY OF 2002, MR. GE
9 REPORTED THAT MR. LEE TRAVELED TO THE P.R.C. TO
10 MARKET SICO'S BUSINESS PLAN IN AN ATTEMPT TO SEEK
11 VENTURE CAPITAL.

12 REFRESHING MY RECOLLECTION HERE, IN JUNE
13 2002 LEE, GEE, AND YANG CONDUCTED A MEETING TO
14 DRAFT A REVISED VERSION OF THE SICO BUSINESS PLAN
15 AT GEE'S HOME IN SAN JOSE, CALIFORNIA.

16 DURING THE MEETING, PORTIONS OF THE DATA
17 SHEET WERE COPIED TO SICO'S BUSINESS PLAN.

18 MR. YANG DRAFTED THE CHINESE LANGUAGE
19 PORTIONS OF THE DOCUMENT AS HIS WRITING SKILLS WERE
20 CONSIDERED SUPERIOR TO MR. LEE'S AND MR. GE'S.

21 MR. SWANSON: IT APPEARS THAT WE'RE
22 GETTING A RECITATION OF THE REPORT AND NOT A
23 RECOLLECTION AS THE OFFICER OR THE AGENT IS
24 ACTUALLY LOOKING DOWN AND READING AS WE GO, AND
25 MAYBE --

1 THE COURT: WELL, THAT'S OBVIOUS TO THE
2 JURY AS WELL.

3 SO I'LL PERMIT IT AS LONG AS IT IS CLEAR
4 THAT HE'S REFRESHING HIS RECOLLECTION BY LOOKING AT
5 THE REPORT.

6 BUT TO THE EXTENT THAT YOU DON'T HAVE A
7 RECOLLECTION AND YOU CANNOT REFRESH YOUR
8 RECOLLECTION BY LOOKING AT THE REPORT, YOU CAN
9 INDICATE THAT.

10 IN OTHER WORDS, IF YOU'RE SIMPLY READING
11 TO US FROM THE REPORT, IT'S NOT YOUR RECOLLECTION,
12 IT'S THE REPORT THAT IS SPEAKING.

13 MR. PARRELLA: THANK YOU, YOUR HONOR.

14 Q SO DID THAT CONCLUDE THE MEETING THAT OCCURRED
15 ON SEPTEMBER 10TH, 2003?

16 A YES.

17 Q AND WHAT HAPPENED AT THE CONCLUSION?

18 A MR. GE WAS FREE TO GO.

19 Q OKAY. AND ABOUT HOW LONG WAS THIS MEETING,
20 WOULD YOU SAY?

21 A APPROXIMATELY AN HOUR TO TWO HOURS.

22 Q OKAY. SO NOW, DURING THE TIMEFRAME THAT WE'RE
23 TALKING ABOUT, ROUGHLY SUMMER INTO FALL OF 2003,
24 WHAT WAS BEING DONE WITH THE COMPUTER IMAGES THAT
25 WERE SEIZED FROM THE DEFENDANTS' HOMES ON JULY

1 29TH, 2003?

2 A INITIALLY THE F.B.I.'S CART TEAM PROCESSES THE
3 DATA INTO A FORM THAT CAN BE ANALYZED AND THEN
4 PROVIDES THAT TO THE CASE AGENT IN THE MATTER.

5 Q AND BY THE WAY, WERE YOU THE CASE AGENT?

6 A YES.

7 Q AND SO AT SOME POINT IN TIME DID YOU BEGIN
8 RECEIVING THESE IMAGES?

9 A YES, I RECEIVED ALL OF THE IMAGES OF THE
10 COMPUTERS ALL AT ONE TIME.

11 Q AND WHAT DID YOU BEGIN TO DO WITH THEM?

12 A I BEGAN ANALYZING THE DATA UTILIZING A
13 SOFTWARE PACKAGE REFERRED TO AS FORENSICS TOOL KIT,
14 F.T.K.

15 Q AND WHERE DID YOU DO THIS?

16 A I DID THIS IN THE PALO ALTO RESIDENT AGENCY.

17 Q AND SO DID YOU IDENTIFY CERTAIN DOCUMENTS AND
18 CERTAIN ITEMS THAT WERE RELEVANT TO THIS
19 INVESTIGATION?

20 A YES.

21 Q AND LET ME HAVE 6, PLEASE.

22 SHOWING THE WITNESS GOVERNMENT'S 6.

23 WOULD YOU TAKE A LOOK AT THAT, AGENT.

24 AND MAYBE YOU COULD TAKE IT OUT OF THE SLEEVE
25 ACTUALLY.

1 THE COURT: IS THERE A QUESTION?

2 MR. PARRELLA: YES.

3 Q DO YOU RECOGNIZE GOVERNMENT'S EXHIBIT 6?

4 A YES, I DO.

5 Q AND WHAT IS THAT?

6 A THIS IS A CONTRACT BETWEEN SICO AND FBNI
7 ELECTRONIC TECHNOLOGY DEVELOPMENT COMPANY.

8 Q AND IS THAT WHAT WAS RECOVERED -- WITHDRAWN.
9 WHOSE COMPUTER WAS THAT RECOVERED FROM?

10 A THIS DOCUMENT WAS RECOVERED FROM MR. LAN LEE'S
11 LAPTOP COMPUTER.

12 Q AND IS THAT A FAIR AND ACCURATE COPY OF THAT
13 DOCUMENT AS IT WAS RECOVERED, A PRINTOUT I SHOULD
14 SAY?

15 A YES. I'M LOOKING AT THE TRANSLATED VERSION.
16 IT'S A CHINESE TRANSLATED DOCUMENT.

17 MR. PARRELLA: WE'LL OFFER THAT AS 6,
18 YOUR HONOR.

19 THE COURT: 6 IS IN EVIDENCE.

20 MR. NOLAN: I'M SORRY. I DIDN'T KNOW HE
21 OFFERED IT.

22 THE COURT: HE SAID "I OFFER IT AS 6."

23 MR. NOLAN: I'M GOING TO OBJECT ON
24 RELEVANCE AT THIS POINT.

25 THE COURT: OVERRULED ON RELEVANCE

1 GROUND.

2 EXHIBIT 6 IS IN EVIDENCE.

3 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 6,
4 HAVING BEEN PREVIOUSLY MARKED FOR
5 IDENTIFICATION, WAS ADMITTED INTO
6 EVIDENCE.)

7 BY MR. PARRELLA:

8 Q SO IF WE CAN JUST TURN --

9 THE COURT: ARE YOU GIVING THE JURY A
10 CHINESE VERSION?

11 THE CLERK: BOTH.

12 MR. NOLAN: OBJECT TO THE CHINESE
13 VERSION, YOUR HONOR.

14 THE COURT: WELL, IT MIGHT HELP TO FOLLOW
15 SYNTAX.

16 IS THERE -- ARE YOU ACTUALLY GIVING A
17 SEPARATE DOCUMENT WHICH IS THE CHINESE VERSION?

18 MR. PARRELLA: THERE IS A DOCUMENT --
19 THIS PACKET CONTAINS BOTH THE --

20 THE COURT: EXHIBIT 6 IS BOTH A CHINESE
21 VERSION AND AN ENGLISH TRANSLATION?

22 MR. PARRELLA: CORRECT, YOUR HONOR.

23 THE COURT: VERY WELL.

24 MR. PARRELLA: AND, IN FACT, THAT WILL BE
25 THE PROCEDURE FOR A NUMBER OF DOCUMENTS LIKE THIS.

1 THE COURT: VERY WELL. I'M JUST STARTING
2 TO BE CONCERNED ABOUT THE BURDEN OF PAPER TO THE
3 JURY, BUT I'LL PERMIT IT.

4 BY MR. PARRELLA:

5 Q THANK YOU.

6 SO LET'S TURN TO THE FIRST PAGE OF THE
7 TRANSLATION IF WE COULD. IT LOOKS LIKE THERE'S A
8 NUMBER ON THE BOTTOM OF THAT PAGE WHICH IS 2405?

9 A YES.

10 Q SO WHAT IS THIS DOCUMENT?

11 MR. NOLAN: OBJECTION, FOUNDATION AS TO
12 WHAT THIS DOCUMENT IS, IF HE HAS ANY EXPERTISE AT
13 ALL. IT'S IN EVIDENCE.

14 I DON'T KNOW THAT WE HAVE ESTABLISHED
15 WHAT HE KNOWS MORE THAN ANYONE ELSE.

16 THE COURT: WELL, YOU'VE ASKED HIM THE
17 SOURCE. I'M NOT SURE -- I'LL SUSTAIN THE OBJECTION
18 FOR VAGUENESS AS TO WHAT YOU MEAN BY "WHAT IS IT."

19 BY MR. PARRELLA:

20 Q HOW DOES THE DOCUMENT DESCRIBE ITSELF?

21 A THIS DOCUMENT DESCRIBES ITSELF AS A CONTRACT
22 BETWEEN SICO AND A COMPANY REFERRED TO AS FBNI
23 ELECTRONIC DEVELOPMENT COMPANY, LTD.

24 Q AND CAN YOU TAKE A LOOK AT THE FIRST PAGE, AND
25 WHAT IS THE GOAL OF THE CONTRACT?

1 MR. NOLAN: OBJECTION, YOUR HONOR.

2 THE COURT: SUSTAINED.

3 BY MR. PARRELLA:

4 Q WELL, IF YOU COULD READ THE FIRST PARAGRAPH
5 AFTER BEIJING FBNI. I GUESS I SHOULD SAY UNDER THE
6 HEADER?

7 A "IT'S AN AGREEMENT LETTER FOR THE JOINT
8 DEVELOPMENT OF THE NETWORK CO-PROCESSER SNCP-1S20.

9 Q AND UNDERNEATH THAT WHAT DOES IT SAY?

10 A "TOP SECRET."

11 Q AND UNDERNEATH THE DATE OF APRIL 30TH, 2003,
12 WHAT DOES IT SAY?

13 A THIS DOCUMENT -- "THIS DOCUMENT IS THE SOLE
14 PROPERTY OF BEIJING F.B.I. ELECTRONIC TECHNOLOGY
15 DEVELOPMENT COMPANY, LTD AND SICO MICROELECTRONICS,
16 INCORPORATED. IT CONTAINS STRICTLY CONFIDENTIAL
17 BUSINESS COMMUNICATIONS BETWEEN FBNI AND SICO.
18 NEITHER PARTY CAN REPRODUCE, COPY AND/OR DISTRIBUTE
19 THIS TOP SECRET DOCUMENT, ITS ATTACHMENTS, OR
20 RELATED MATERIALS, IN WHOLE OR IN PART, OR USE ITS
21 CONTENTS FOR OTHER USES WITHOUT THE EXPRESS CONSENT
22 OF BOTH COMPANIES. AT ANY TIME BOTH PARTIES MUST
23 ASSUME LIABILITY FOR FAILURE TO KEEP CONFIDENTIAL
24 THE COMMERCIAL CODE AND THE CODE OF CRIMINAL
25 PROCEDURE FOR THREE YEARS AFTER THE CONCLUSION OF

1 THE CONTRACT."

2 Q THANK YOU.

3 NOW, DID YOU REVIEW THIS AS PART OF YOUR
4 TRANSLATION IN THE INVESTIGATION?

5 A YES.

6 Q AND WERE THERE ANY PARTS IN HERE THAT YOU FELT
7 WERE SIGNIFICANT OR HELPFUL TO YOUR INVESTIGATION?

8 A YES.

9 Q AND WOULD YOU DIRECT US TO THOSE? GIVE US
10 THE, IF YOU COULD, BOTH THE PAGE NUMBER AND THE
11 STAMP NUMBER ON THE BOTTOM.

12 THE COURT: WELL, IT'S THE STAMP NUMBER
13 THAT WE SHOULD USE JUST BECAUSE THERE COULD BE
14 MULTIPLE -- I PRESUME THAT THE STAMP NUMBERS ARE
15 UNIQUE.

16 MR. PARRELLA: THAT'S CORRECT.

17 THE COURT: ALL RIGHT.

18 BY MR. PARRELLA:

19 Q SO LET'S JUST USE THE STAMP NUMBER IN THE
20 BOTTOM RIGHT-HAND CORNER.

21 A OKAY. THIS DOCUMENT BASICALLY -- IF YOU LOOK
22 ON PAGE 002427 OF THE STAMP NUMBER.

23 Q YES.

24 A THIS DOCUMENT IDENTIFIES THAT THE PROJECT'S
25 DEVELOPMENT CAPITAL IS TO BE \$3,100,000.

1 I'M SORRY. THAT'S ACTUALLY -- 002427
2 IDENTIFIES THAT THE CHINESE 863 PROJECT WILL BE
3 APPLIED FOR UNDER THE NAME BEIJING FBNI.

4 Q AND CAN YOU READ THE PORTION VERBATIM THAT
5 REFERS TO THAT OR OTHER PORTIONS?

6 A YES. "BOTH PARTIES AGREE THAT THE DURING THE
7 PRODUCT DEVELOPMENT PERIOD, THE PRODUCT'S NEW
8 INTELLECTUAL PROPERTY AND TECHNICAL PATENT RIGHTS
9 SHALL BE APPLIED IN CHINA UNDER THE NAME BEIJING
10 FBNI ELECTRONICS TECHNOLOGY DEVELOPMENT COMPANY,
11 LTD, WITH ALL RIGHTS BELONGING TO BEIJING FBNI
12 ELECTRONIC TECHNOLOGY DEVELOPMENT COMPANY, LTD.
13 ADDITIONALLY, THE CHINESE 863 PROJECT SHALL BE
14 APPLIED UNDER THE NAME BEIJING FBNI ELECTRONIC
15 DEVELOPMENT COMPANY, LTD."

16 Q SKIMMING NOW TO THE BOTTOM PORTION OF THAT
17 PARAGRAPH.

18 CAN YOU READ WHETHER THERE'S ANOTHER
19 SECTION REGARDING THE 863 PROGRAM?

20 A "THE PARTICIPATING THIRD PARTY PARTNER
21 ABSOLUTELY HAS NO RIGHTS TO ENJOY, OWN, OR
22 PARTIALLY OWN ANY PROFIT SCHEME FROM THE PROJECT
23 RELATED APPLICATION OF THE CHINESE 863 PROJECT."

24 Q NOW, AT THE POINT IN TIME WHEN YOU WERE
25 REVIEWING THIS, DID YOU KNOW WHAT THE 863 PROJECT

1 WAS?

2 A YES, I BELIEVE SO.

3 Q AND TELL US WHAT YOUR UNDERSTANDING OF IT WAS
4 AT THAT TIME?

5 A THE 863 PROGRAM IS A CHINESE GOVERNMENT
6 ENDORSED PROGRAM, TECHNOLOGY DEVELOPMENT PROGRAM
7 AIMED AT BRINGING CHINA'S TECHNICAL INTELLECTUAL --
8 OR HOW SHOULD I SAY IT? -- INDIGENOUS TECHNICAL
9 STANDARDS UP TO THAT OF THE WEST.

10 Q THANK YOU. YOU CAN SET THAT ASIDE.

11 SHOWING YOU GOVERNMENT'S EXHIBIT 7.

12 CAN YOU TELL US WHAT THIS DOCUMENT IS,
13 PLEASE?

14 A THIS DOCUMENT IS IDENTIFIED AS SICO EXECUTIVE
15 SUMMARY.

16 Q AND WHERE WAS THIS DOCUMENT LOCATED?

17 A THIS DOCUMENT WAS IDENTIFIED ON LAN LEE'S
18 PERSONAL COMPUTER.

19 Q AND THE DOCUMENT THAT YOU HAVE THERE, IS THAT
20 A PRINTOUT OF THE ITEM THAT WAS RECOVERED ON
21 LAN LEE'S HOME COMPUTER?

22 A YES.

23 Q AND WHAT IS THE -- HOW IS THAT DOCUMENT
24 TITLED?

25 A THE OPENING SENTENCE ARTICULATES ENTITLED SICO

1 EXECUTIVE SUMMARY.

2 Q SO STOP THERE. SO WAS THAT ITEM RECOVERED ON
3 LAN LEE'S COMPUTER IN ENGLISH OR IN CHINESE
4 CHARACTERS?

5 A THIS I BELIEVE WAS RECOVERED IN ENGLISH.

6 MR. PARRELLA: YOUR HONOR, WE WILL OFFER
7 7.

8 THE COURT: EXHIBIT 7 IS IN EVIDENCE.
9 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 7,
10 HAVING BEEN PREVIOUSLY MARKED FOR
11 IDENTIFICATION, WAS ADMITTED INTO
12 EVIDENCE.)

13 BY MR. PARRELLA:

14 Q SO LET ME DIRECT YOUR ATTENTION NOW TO THE
15 FRONT PAGE.

16 IS THERE ANYTHING IN THE FRONT PAGE THAT
17 WAS SIGNIFICANT TO YOUR INVESTIGATION?

18 A YES. THIS DOCUMENT ALSO ARTICULATED SICO'S
19 INTENTION TO RAISE .5 MILLION U.S. DOLLARS BY
20 BIDDING ON THE IPV6 PROJECT UNDER THE 863 PLAN.

21 Q AND WHAT WAS YOUR UNDERSTANDING, IF ANY, AT
22 THE TIME OF THE IPV6?

23 A I UNDERSTOOD THAT IPV6 WAS JUST A -- REFERRED
24 TO THE INTERNET PROTOCOL VERSION 6, AND IT RELATED
25 TO INTERNET TECHNOLOGY.

1 Q AND COULD YOU TELL US IF THERE IS ANYTHING
2 ELSE OF SIGNIFICANCE TO THE INVESTIGATION AT THAT
3 POINT IN THIS DOCUMENT?

4 A YES. ON STAMP NUMBER 002439, THE EXECUTIVE
5 SUMMARY IDENTIFIES NETLOGIC MICROSYSTEMS AS A
6 POTENTIAL COMPETITOR.

7 Q ANYTHING ELSE?

8 A ON PAGE 002440 HSPICE WAS IDENTIFIED AS A
9 REQUIRED SOFTWARE FOR THE PROJECT.

10 Q AND WHAT WAS YOUR UNDERSTANDING AT THAT
11 POINT -- OR WITHDRAW.

12 DID YOU HAVE AN UNDERSTANDING OF WHAT
13 HSPICE WAS AT THAT POINT IN TIME?

14 A YES.

15 Q AND CAN YOU TELL US WHAT THAT WAS?

16 A HSPICE REFERS TO TAIWAN TSMC, TAIWAN
17 SEMICONDUCTOR MANUFACTURING CORPORATION'S CHIP
18 MODELING SOFTWARE IN LAYMEN'S TERMS.

19 Q SO CONTINUE. ANYTHING ELSE OF SIGNIFICANCE TO
20 YOUR INVESTIGATION AT THAT POINT IN GOVERNMENT'S
21 EXHIBIT 7?

22 A NO.

23 Q OKAY. THANK YOU.

24 THE COURT: WE'RE ABOUT TO MOVE TO
25 ANOTHER DOCUMENT?

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MR. PARRELLA: YES, WE ARE.

THE COURT: WE WILL TAKE OUR BREAK AT
THIS POINT AND COME BACK AT 1:00 O'CLOCK.

(WHEREUPON, THE LUNCH RECESS WAS TAKEN.)

1 COMPUTER.

2 Q AND WAS THAT RECOVERED IN CHINESE CHARACTERS
3 OR IN ENGLISH?

4 A IN CHINESE CHARACTERS, WITH SOME ENGLISH
5 LANGUAGE WORDS AS WELL.

6 Q AND DOES THE EXHIBIT CONTAIN THE TRANSLATION?

7 A YES.

8 Q AND IS THAT AN ACCURATE COPY OF THE
9 TRANSLATION?

10 A YES.

11 MR. PARRELLA: I'LL OFFER THAT AS 8.

12 THE COURT: VERY WELL. 8 IS IN EVIDENCE.

13 MR. PARRELLA: THANK YOU.

14 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 8,
15 HAVING BEEN PREVIOUSLY MARKED FOR
16 IDENTIFICATION, WAS ADMITTED INTO
17 EVIDENCE.)

18 BY MR. PARRELLA:

19 Q COULD WE PULL UP 8, PLEASE.

20 NOW, AGENT SIEBER, CAN YOU LOOK AT
21 GOVERNMENT 8 AND TELL ME IF THERE'S ANYTHING OF
22 SIGNIFICANCE TO YOUR INVESTIGATION AS OF THAT DATE
23 THAT YOU REVIEWED IT --

24 A YES.

25 Q -- ON THIS?

1 AND CAN YOU DIRECT US TO THAT?

2 A MR. LEE STATES IN THE LETTER THAT "WE
3 SUCCESSFULLY DEVELOPED A NETWORK CO-PROCESSOR THAT
4 IS AN ADVANCED PRODUCT."

5 Q AND DOES THIS LETTER MENTION THE 863 PROJECT?

6 A IT DOES.

7 Q ALL RIGHT. SO CAN YOU READ THE LAST FULL
8 SENTENCE OF THE FIRST PARAGRAPH?

9 A "WE HOPE THAT THIS PROJECT WILL BE ONE OF THE
10 PROJECTS SUPPORTED BY CHINA'S 863 PROJECT SO THAT
11 THIS PROJECT CAN SUCCEED AT AN EARLY DATE."

12 Q AND WHAT WAS THE DATE OF THIS LETTER?

13 A 6-29-2002.

14 Q AND IS THERE ANY OTHER MENTION OF THE 863
15 PROJECT IN THIS?

16 A YES, IN THE LAST PARAGRAPH.

17 Q AND WOULD YOU READ THAT, PLEASE?

18 A "ATTACHED PLEASE FIND AN OFFER OF AN
19 EMPLOYMENT OF THE POSITION OF PROGRAM CONSULTANT
20 FROM TSINGHUA UNIVERSITY FOR ITS 863 MEMORY
21 PROJECT/MEMORY, ALONG WITH THE BUSINESS PLAN, THE
22 TECHNICAL REPORT FOR THE SNCP-1 NETWORK
23 CO-PROCESSOR AND RESUME OF THE TEAM MEMBERS."

24 Q THANK YOU.

25 SHOWING YOU WHAT HAS BEEN MARKED

1 GOVERNMENT'S 9, AND AGAIN I'LL ASK YOU IF YOU
2 RECOGNIZE THAT?

3 A YES.

4 Q AND WHAT IS THAT?

5 A THIS IS INSTRUCTIONS FOR THE 863 APPLICATION.

6 Q AND WHERE WAS THAT RECOVERED FROM?

7 A THIS WAS IDENTIFIED ON YUEFEI GE'S PERSONAL
8 COMPUTER.

9 Q AND DOES THAT INCLUDE TRANSLATION?

10 A YES.

11 MR. PARRELLA: WE'LL OFFER THAT AS 9,
12 YOUR HONOR.

13 THE COURT: 9 IS IN EVIDENCE.

14 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 9,
15 HAVING BEEN PREVIOUSLY MARKED FOR
16 IDENTIFICATION, WAS ADMITTED INTO
17 EVIDENCE.)

18 MR. PARRELLA: THANK YOU. AND 10,
19 PLEASE.

20 Q I'M SHOWING YOU NOW WHAT HAS BEEN MARKED
21 GOVERNMENT'S 10. AND WHAT IS THAT DOCUMENT?

22 A IT'S A BLANK 863 APPLICATION, ALSO REFERRED TO
23 AS A TOPIC APPLICATION FORM.

24 Q AND DOES THAT EXHIBIT CONTAIN A TRANSLATION AS
25 WELL?

1 A YES, IT DOES.

2 Q AND WHERE WAS THAT LOCATED?

3 A THIS WAS IDENTIFIED ON LAN LEE'S PERSONAL
4 COMPUTER.

5 MR. PARRELLA: OKAY. I'LL OFFER THAT AS
6 10.

7 THE COURT: 10 IS IN EVIDENCE.

8 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 10,
9 HAVING BEEN PREVIOUSLY MARKED FOR
10 IDENTIFICATION, WAS ADMITTED INTO
11 EVIDENCE.)

12 BY MR. PARRELLA:

13 Q NOW, CAN YOU TURN TO THE FIRST PAGE OF THE
14 TRANSLATION.

15 FIRST OF ALL, WAS THIS DOCUMENT FILLED
16 OUT?

17 A NO, IT WAS NOT.

18 Q HAD IT BEEN FILLED OUT? AND BY THAT I MEAN
19 HAD THE OPEN FIELDS BEEN COMPLETED EITHER BY
20 COMPUTER, IF YOU COULD TELL, OR BY HAND?

21 A NO.

22 Q OKAY. SO CAN YOU READ THE TITLE OF THE
23 DOCUMENT?

24 AND IF YOU WOULD HIGHLIGHT THAT.

25 A IT SAYS "THE NATIONAL HIGH TECHNOLOGY RESEARCH

1 AND DEVELOPMENT PROGRAM (863 PROGRAM) TOPIC
2 APPLICATION FORM."

3 Q AND UNDERNEATH AT THE VERY BOTTOM, CAN YOU
4 READ WHERE IT COMES FROM?

5 A THE MINISTRY OF SCIENCE AND TECHNOLOGY OF THE
6 PEOPLE'S REPUBLIC OF CHINA.

7 Q OKAY. CAN I HAVE 11.

8 I'M HANDING YOU WHAT HAS BEEN MARKED
9 GOVERNMENT'S EXHIBIT 11.

10 DO YOU RECOGNIZE THAT DOCUMENT?

11 A I DO.

12 Q AND WHAT IS THAT?

13 A THIS IS ALSO 863 PROGRAM DOCUMENT
14 IDENTIFIED -- CHINESE LANGUAGE DOCUMENT, STANDARDS
15 FOR RESEARCH AND THE TOPIC EVALUATION PROCEDURES.

16 Q AND DOES THAT CONTAIN A -- DOES THAT EXHIBIT
17 CONTAIN A TRANSLATION AS WELL?

18 A YES.

19 MR. PARRELLA: I'LL OFFER THAT AS --
20 EXCUSE ME.

21 Q WHERE WAS THAT LOCATED?

22 A THIS WAS IDENTIFIED ON YUEFEI GE'S PERSONAL
23 COMPUTER.

24 MR. PARRELLA: I'LL OFFER THAT AS 11.

25 THE COURT: 11 IS IN EVIDENCE.

1 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 11,
2 HAVING BEEN PREVIOUSLY MARKED FOR
3 IDENTIFICATION, WAS ADMITTED INTO
4 EVIDENCE.)

5 BY MR. PARRELLA:

6 Q AND WAS THERE ANYTHING OF SIGNIFICANCE WITHIN
7 THIS DOCUMENT?

8 MR. NOLAN: OBJECTION. REPHRASE IT.

9 BY MR. PARRELLA:

10 Q WAS THERE ANYTHING OF SIGNIFICANCE TO YOUR
11 INVESTIGATION AT THE TIME YOU REVIEWED IT?

12 A YES. THIS DOCUMENT PROVIDED THE GUIDELINES
13 FOR APPLYING FOR THE 863 PROGRAM.

14 Q SET THAT ASIDE.

15 SHOWING THE WITNESS GOVERNMENT'S 12.
16 COULD YOU TELL ME WHAT THAT IS?

17 A IT'S A SICO BUSINESS PLAN.

18 Q AND WHERE WAS THAT RECOVERED FROM?

19 A LAN LEE'S LAPTOP COMPUTER.

20 Q AND WAS THAT IN CHINESE CHARACTERS OR IN
21 ENGLISH?

22 A THIS WAS ORIGINALLY WRITTEN IN -- OR
23 IDENTIFIED IN CHINESE CHARACTERS WITH SOME ENGLISH
24 WORDS AS WELL.

25 Q AND IS THERE A TRANSLATION ATTACHED TO THAT?

1 A YES.

2 Q THANK YOU.

3 MR. PARRELLA: I'LL OFFER THAT AS 12.

4 THE COURT: VERY WELL. 12 IS IN

5 EVIDENCE.

6 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 12,

7 HAVING BEEN PREVIOUSLY MARKED FOR

8 IDENTIFICATION, WAS ADMITTED INTO

9 EVIDENCE.)

10 BY MR. PARRELLA:

11 Q OKAY. CAN YOU TURN TO THE FIRST PAGE OF THE
12 TRANSLATION. ARE YOU THERE?

13 A YES.

14 Q OKAY. I'M SORRY. AND CAN YOU READ WHAT IS AT
15 THE BOTTOM, SOMETIMES REFERRED TO AS THE FOOTER?

16 A "SICO CONFIDENTIAL."

17 Q ALL RIGHT. AND DOES THAT CONTINUE THROUGHOUT
18 THE DOCUMENT?

19 A YES.

20 Q NOW, TURN TO THE NEXT PAGE, WHICH IS MARKED
21 259, 000259. OKAY. ARE YOU THERE?

22 A UH-HUH.

23 Q OKAY. SO IN THIS DOCUMENT, STARTING WITH THIS
24 PAGE, ANYTHING OF SIGNIFICANCE TO YOUR
25 INVESTIGATION?

1 A YES. I NOTED ON PAGE 3, ACTUALLY, 000260 THAT
2 "THE PURPOSE OF THIS BUSINESS PLAN IS TO SEEK 30
3 MILLION YUAN, (\$3.6 MILLION) FUNDING SUPPORT FROM
4 THE 863 PROGRAM OR OTHER RELEVANT DEPARTMENTS.
5 SICO WILL USE THESE FUNDS TO DEVELOP AND PRODUCE
6 THE MOST ADVANCED NETWORK CO-PROCESSOR IN THE WORLD
7 THAT SUPPORTS THE IPV6 PROTOCOL."

8 Q LET ME DIRECT YOU TO PAGE 267, 00267. THE
9 LAST SENTENCE OF THAT PAGE CONTINUING TO THE
10 FOLLOWING PAGE, CAN YOU READ THAT?

11 A "IN ORDER TO REDUCE THE DEPENDENCE OF CHINA'S
12 COMMUNICATION INDUSTRY ON FOREIGN CHIPS, IT IS
13 SICO'S OBJECTIVE TO BECOME THE OFFICIAL SUPPLIER OF
14 SEMICONDUCTOR CHIPS IN CHINA."

15 Q LET ME DIRECT YOU TO 000272. ANYTHING OF
16 SIGNIFICANCE TO YOUR INVESTIGATION IN THIS PAGE?

17 A THERE'S A CHART ON THIS PAGE WHICH IS ENTITLED
18 "COMPARISON TO SIMILAR PRODUCTS," AND NETLOGIC
19 MICROSYSTEMS IS IDENTIFIED IN COMPARISON WITH THE
20 SICO PRODUCT.

21 Q OKAY. AND MOVE TO 000275. ANYTHING OF
22 SIGNIFICANCE ON THIS PAGE?

23 A YES. IT IDENTIFIES THE FIVE-YEAR OPERATING
24 REVENUE FORECAST FOR SICO.

25 Q AND WHAT IS THE REVENUE THAT THIS DOCUMENT

1 FORECASTS FOR THE YEAR 2007?

2 A 100 MILLION U.S. DOLLARS.

3 Q OKAY. THANK YOU. YOU CAN SET THAT ASIDE.

4 SHOWING THE WITNESS TO GOVERNMENT'S
5 EXHIBIT 13.

6 COULD YOU TELL US WHAT THAT IS, PLEASE?

7 A THIS WAS A DOCUMENT THAT WAS IDENTIFIED ON
8 LAN LEE'S LAPTOP COMPUTER AND IT APPEARS TO BE A
9 SERIES OF QUESTIONS AND ANSWERS REGARDING SICO
10 MICROSYSTEMS AND THE CHINESE PEOPLE'S LIBERATION
11 ARMY, GENERAL ARMAMENT DEPARTMENT.

12 Q AND IS THIS THE DOCUMENT THAT WAS FOUND ON
13 MR. LEE'S LAPTOP COMPUTER, WAS THAT IN CHINESE
14 CHARACTERS?

15 A YES.

16 Q AND WAS THERE A TRANSLATION ATTACHED TO THIS
17 EXHIBIT?

18 A YES.

19 Q OKAY.

20 MR. PARRELLA: I'LL OFFER THIS AS 13.

21 THE COURT: 13 IS IN EVIDENCE.

22 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 13,
23 HAVING BEEN PREVIOUSLY MARKED FOR
24 IDENTIFICATION, WAS ADMITTED INTO
25 EVIDENCE.)

1 BY MR. PARRELLA:

2 Q THANK YOU. AGENT, COULD YOU READ THE
3 QUESTIONS AND ANSWERS 1 THROUGH 18 TO US, PLEASE?

4 A YEAH. THE QUESTION NUMBER 1 STATES "THE
5 SOURCE OF THE FUNDING? WHO IS THE REAL INVESTOR?
6 WHY DOES THE OPERATION HAVE TO BE UNDER THE GENERAL
7 ARMAMENT DEPARTMENT?"

8 ANSWER: "THE ARMY'S ANNUAL" --

9 MR. NOLAN: EXCUSE ME, YOUR HONOR. THE
10 JURY WILL HAVE THIS. I DON'T KNOW THE IMPORTANCE
11 OF READING EVERY SINGLE.

12 THE COURT: THE OBJECTION IS OVERRULED.
13 YOU MAY PROCEED.

14 THE WITNESS: "THE ARMY'S ANNUAL
15 SCIENTIFIC RESEARCH EXPENDITURE IS IN THE TENS OF
16 BILLIONS. WHEN WORKING WITH A CERTAIN UNIVERSITY
17 UNDER THE GENERAL ARMAMENT DEPARTMENT AND APPLY FOR
18 THAT FUND, IT WILL BE SPEEDILY APPROVED. IT IS
19 CENTRAL FINANCIAL ALLOCATION. ONLY RESULTS COUNT,
20 AND NOT FINANCIAL GAIN. THAT IS DIFFERENT FROM THE
21 OPERATION OF A COMPANY.

22 Q QUESTION 2?

23 A "WHAT PERCENTAGE OF THE FUNDS CAN BE
24 GUARANTEED?"

25 THE ANSWER IS: "100 PERCENT."

1 Q NUMBER 3?

2 A "WILL THE PROJECT'S FUNDING BE IN PLACE ON
3 TIME?"

4 THE ANSWER IS: "NOT ONLY WILL IT BE
5 PLACED ON TIME, YOU CAN ALSO BUDGET MORE FUNDS IN
6 THE PLAN.

7 Q AND 4?

8 A "HOW WILL THE FUNDS COME IN? ALL AT ONCE OR
9 IN TWO INSTALLMENTS?"

10 ANSWER: "IT WILL COME ALL AT ONCE."

11 Q AND 5?

12 A "HOW WILL THE FUNDS BE SUPERVISED, CONTROLLED,
13 ALLOCATED AND USED?"

14 AND THE ANSWER IS: "THE RIGHT OF USE, A
15 CERTAIN UNIVERSITY WILL OFFER RESEARCH/DEVELOPMENT
16 EQUIPMENT AND FACILITY, WHICH ARE FREE OF CHARGE.
17 THE RIGHT OF USE CAN BE 3:7, 4:6 OR 5:5."

18 Q AND NUMBER 6?

19 A "TO WHAT EXTENT DOES THE GENERAL ARMAMENT
20 DEPARTMENT UNDERSTAND THE ABOVE?"

21 AND THE ANSWER IS: "THEY UNDERSTAND
22 FULLY."

23 Q 7?

24 A "TO WHAT EXTENT DOES THE GENERAL ARMAMENT
25 DEPARTMENT KNOW ABOUT THE PRODUCT?"

1 AND THE ANSWER IS: "THEY KNOW, BUT NEED
2 SPECIALISTS TO EXPLAIN FURTHER."

3 Q AND NUMBER 8?

4 A "HOW MUCH DOES THE GENERAL ARMAMENT DEPARTMENT
5 KNOW ABOUT THE DOMESTIC AND INTERNATIONAL MARKETS
6 FOR THE COMING FIVE YEARS?"

7 THE ANSWER: "THEY KNOW THE MARKET BUT
8 DON'T FOCUS ON IT. THEY ONLY PAY ATTENTION TO THE
9 INTERNAL APPLICATIONS AND RESEARCH ACHIEVEMENTS."

10 Q I'M SORRY. NUMBER 9?

11 A "WHAT DOES THE GENERAL ARMAMENT DEPARTMENT
12 KNOW AND FEEL ABOUT SALES CHANNELS AND CUSTOMERS?"

13 AND THE ANSWER IS: "THEY WON'T GET
14 INVOLVED. IT'S OUR BUSINESS."

15 Q NUMBER 10?

16 A "WHY DOES THE GENERAL ARMAMENT DEPARTMENT WANT
17 TO SUBMIT A BID TO INVEST IN THIS PROJECT? WHICH
18 IS THEIR PRIORITY? IS IT THE PRESUPPOSED RETURN ON
19 THEIR FUNDS OR RELATED TECHNOLOGY?"

20 AND THE ANSWER IS: "THEY DON'T NEED ANY
21 RETURN ON THE FUNDS. THERE'S NO QUESTION OF 'WHY.'
22 IT'S JUST THAT OUR OPERATION HAS REACHED THIS
23 POINT."

24 Q AND NUMBER 11?

25 A "WHAT IS THE FORMAT AND PLAN AND INVESTMENT OF

1 THE GENERAL ARMAMENT DEPARTMENT?"

2 THE ANSWER IS: "THEIR PLAN IS DEPENDENT
3 UPON WHEN AND HOW WE CAN COLLABORATE. I MEAN SICO
4 MICROSYSTEMS, INC., BEIJING, FBNI, ELECTRONIC
5 TECHNOLOGY DEVELOPMENT COMPANY, LTD, A CERTAIN
6 UNIVERSITY AND CERTAIN TECHNOLOGY RESEARCH
7 INSTITUTE. WHEN ALL IS SETTLED, THEY WILL APPLY
8 FOR THE GRANT (THAT IS, THE BUDGET REPORT)."

9 Q AND NUMBER 12?

10 A "WHAT KIND OF JOINT COLLABORATION IS THE
11 GENERAL ARMAMENT DEPARTMENT CONSIDERING?"

12 THE ANSWER: "IT WILL NOT INVOLVE
13 INTELLECTUAL PROPERTY, THE INTERNATIONAL MARKET,
14 NOR WILL IT FIGHT WITH YOU FOR THE RETURN.
15 HOWEVER, IT DOES WANT TO HAVE THE UNIVERSITY'S NAME
16 ON THE RESEARCH RESULTS TO ENHANCE ITS REPUTATION
17 AND ACCOUNT FOR THE FUNDING."

18 Q NUMBER 13?

19 A "WHAT IS THE GENERAL ARMAMENT DEPARTMENT'S
20 OPINION IN OUR FUTURE DEVELOPMENT, BEGINNING STAGE,
21 MID-STAGE, POST-PRODUCTION STAGE?"

22 AND THE ANSWER IS: "THEY WON'T GET
23 INVOLVED IN OUR OPERATION."

24 Q AND NUMBER 14?

25 A "IF WE NEED A SECOND OR THIRD RUN OF THE

1 INVESTMENT, WHAT IS THE VIEW OF THE GENERAL
2 ARMAMENT DEPARTMENT?"

3 AND THE ANSWER IS: "JUST LET ME KNOW
4 AHEAD OF TIME BECAUSE THE MONEY HAS TO COME FROM MY
5 COMPANY."

6 Q NUMBER 15?

7 A "COMPANY PRODUCT HAS DEVELOPED TO THE FINAL
8 STAGE. IF WE AGREE TO COLLABORATE WITH THE GENERAL
9 ARMAMENT DEPARTMENT, WHICH ROLE WILL THEY PLAY?"

10 AND THE ANSWER IS: "AS ALREADY EXPLAINED
11 BEFORE THAT THEY ONLY CARE ABOUT THE DEVELOPMENT OF
12 THE TECHNOLOGY AND WHETHER IT CAN BE QUALIFIED
13 WITHIN ONE YEAR."

14 Q AND 16?

15 A "WHO HAS THE AUTHORITY TO CONTROL THE
16 OPERATION OF THE COMPANY? (HIRING, PLANNING,
17 EXECUTION, FUNDING ALLOCATION, PRODUCTION
18 PROCEDURES, ET CETERA)?"

19 THE ANSWER: "IT HAS TO GO THROUGH
20 FURTHER NEGOTIATIONS AND TO BE DECIDED IN THE
21 CONTRACT. THE GENERAL ARMAMENT DEPARTMENT HAS NO
22 CONCERN ON THE COMPANY'S OPERATION, ONLY THE
23 COLLABORATION CONDITIONS."

24 Q AND NUMBER 17?

25 A "DOES THE INVESTOR RECOGNIZE THE COMPANY'S

1 OPERATIONAL INDEPENDENCE? (FOR EXAMPLE, THE
2 COMPANY'S DEVELOPMENT OF DOMESTIC AND INTERNATIONAL
3 MARKETS, NEW COMPANY PROJECTS, ET CETERA?)"

4 THE ANSWER: "THIS IS BETWEEN SICO
5 MICROSYSTEMS, INC., AND BEIJING FBNI ELECTRONIC
6 TECHNOLOGY DEVELOPMENT COMPANY LTD."

7 Q AND NUMBER 18?

8 A "WHAT IS THE INVESTOR'S OPINION ON THE BOARD
9 MEMBERS?"

10 ANSWER: "ONLY TO BE SUCCESSFUL BECAUSE
11 MY INVESTOR HAS ALREADY BECOME A FINANCING
12 INVESTOR. MORE IMPORTANT IS THE FACT THAT CHINA
13 DOES NOT NEED FINANCIAL GAIN."

14 Q THANK YOU. NOW WHAT FOLLOWS AFTER THAT?

15 A WHAT APPEARS TO BE A LETTER SIGNED BY BOSEN
16 DATED 3-31-2003.

17 Q OKAY. ANYTHING OF SIGNIFICANCE WITHIN THAT
18 PORTION TO YOUR INVESTIGATION?

19 A LET ME REFRESH MY RECOLLECTION OF WHAT IS
20 STATED.

21 (PAUSE IN PROCEEDINGS.)

22 THE WITNESS: THE SECOND PARAGRAPH, THE
23 SENTENCE STATES, "REGARDING CHINA IS DEVELOPING THE
24 DEMOCRATIC PROCESS IS DEVELOPING. THIS IS THE MOST
25 ENERGETIC PROSPEROUS SOCIETY IN TODAY'S WORLD. IF

1 THEY CAN TRULY RUN THE COUNTRY BY LAW, THEY CAN
2 SURPASS THE WESTERN COUNTRIES. THE GOVERNMENT AND
3 THE ARMY ARE NOT THAT HORRIFYING. THEY ARE ONLY
4 SUPPORTING AND HELPING US IN SATISFYING OUR
5 DEMANDS.

6 IN ADDITION, THIS MATTER CANNOT BE
7 OPERATED BY ORDINARY PEOPLE. PLEASE CONSIDER
8 CAREFULLY. I BELIEVE THAT AS LONG AS THE
9 TECHNOLOGY IS SAFEGUARDED, YOU CANNOT ONLY GET
10 ECONOMIC GAINS, BUT ALSO HONORARY AND OTHER AWARDS
11 WHICH YOU CAN IMAGINE."

12 Q OKAY. THANK YOU. YOU CAN SET THAT ASIDE.

13 I'M GOING TO SHOW YOU WHAT HAS BEEN
14 MARKED GOVERNMENT'S EXHIBIT 14. TAKE A LOOK AT
15 THAT DOCUMENT, PLEASE.

16 WHAT IS THAT?

17 A THIS IS A SICO BUSINESS PLAN FOR THE SNCP-1S20
18 DATED AUGUST 1999.

19 Q AND WAS THAT ORIGINALLY IN CHINESE CHARACTERS?

20 A YES.

21 Q AND IS THERE A TRANSLATION ATTACHED TO THAT?

22 A YES.

23 Q AND WHERE WAS THAT LOCATED?

24 A THIS WAS IDENTIFIED ON YUEFEI GE'S PERSONAL
25 COMPUTER.

1 Q OKAY.

2 MR. PARRELLA: WE'LL OFFER THAT AS 14,
3 YOUR HONOR.

4 THE COURT: 14 IS IN EVIDENCE.

5 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 14,
6 HAVING BEEN PREVIOUSLY MARKED FOR
7 IDENTIFICATION, WAS ADMITTED INTO
8 EVIDENCE.)

9 BY MR. PARRELLA:

10 Q LET'S TURN TO THE FIRST PAGE OF THAT, THE
11 COVER PAGE.

12 AND WHAT IS THIS DOCUMENT, AGENT?

13 A AGAIN, IT'S A BUSINESS PLAN FOR THE SICO'S
14 SNCP-1S20 NETWORK CO-PROCESSOR.

15 Q AND RETURN TO PAGE STAMPED 002558. IT'S
16 ACTUALLY THE SECOND PAGE OF THE DOCUMENT.

17 ANYTHING OF SIGNIFICANCE ON THIS PAGE?

18 A THIS IS A CONFIDENTIALITY UNDERTAKING. IT
19 STATES THAT "THE CONTENT OF THIS BUSINESS PLAN
20 TOUCHES ON THE BUSY SECRETS OF THIS COMPANY AND IS
21 ONLY TO BE DISCLOSED TO INVESTORS WHO TEND TO
22 INVEST. TO APPROPRIATELY SAFEGUARD THIS BUSINESS
23 PLAN, WITHOUT THE COMPANY'S CONSENT, THIS COMPANY'S
24 BUSY SECRETS INVOLVED IN THIS BUSINESS PLAN MUST
25 NOT BE DISCLOSED TO THIRD PARTIES."

1 Q AND WAS THERE ANYTHING OF SIGNIFICANCE IN THIS
2 DOCUMENT TO YOUR INVESTIGATION AT THAT POINT?

3 A YES, KENT YUKAWA IS IDENTIFIED IN THE DOCUMENT
4 AS THE CONTACT PERSON, AND ON PAGE 002563, THE
5 DOCUMENT IDENTIFIES THE FOUR ORIGINAL PARTNERS AT
6 THE TOP, KENT YUKAWA, LAN LEE, YUEFEI GE, AND
7 XIAODONG YANG.

8 Q OKAY. ANYTHING ELSE?

9 A LAN LEE IS IDENTIFIED AS THE VICE-CHAIRMAN AND
10 LIU BAISEN IS IDENTIFIED AS THE CHAIRMAN.

11 AND ON PAGE 002574, THE FIRST SENTENCE IN
12 THE UNDERLYING PORTION STATES THAT "THE COMPANY
13 FOUNDER, LAN LEE, HAS BEEN RETAINED AS SPECIAL
14 INTEGRATED CIRCUIT DESIGN ADVISOR FOR THE NATIONAL
15 863 PROGRAM."

16 AND ON PAGE 2595, THIS SECTION IS
17 REFERRED TO AS RISK CONTROL, AND BASICALLY
18 DOCUMENTS THE SECRECY THAT THERE SHOULD BE TO THIS
19 PROGRAM.

20 Q OKAY. AND CAN YOU SET THAT EXHIBIT ASIDE.

21 SHOWING YOU WHAT HAS BEEN MARKED
22 GOVERNMENT'S EXHIBIT 15, ARE YOU THERE?

23 A YES.

24 Q AND CAN YOU TELL US WHAT THIS IS?

25 A THIS IS THE SICO SNCP-1 DATA SHEET.

1 Q AND WHERE WAS THIS FOUND?

2 A IT WAS IDENTIFIED ON YUEFEI GE'S PERSONAL
3 COMPUTER.

4 Q AND WAS THIS DOCUMENT IN ENGLISH OR CHINESE
5 CHARACTERS?

6 A PRIMARILY IN CHINESE CHARACTERS, WITH SOME
7 ENGLISH LETTERS AS WELL.

8 Q AND IS THERE A TRANSLATION ATTACHED?

9 A YES.

10 Q OKAY.

11 MR. PARRELLA: WE'LL OFFER THIS AS 15.

12 THE COURT: 15 IS IN EVIDENCE.

13 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 15,
14 HAVING BEEN PREVIOUSLY MARKED FOR
15 IDENTIFICATION, WAS ADMITTED INTO
16 EVIDENCE.)

17 BY MR. PARRELLA:

18 Q CAN WE GO TO 000480, THE FIRST PAGE OF THE
19 TRANSLATION.

20 COULD YOU READ WHAT IT SAYS?

21 A "SICO MICROSYSTEMS, INC. CONFIDENTIAL. DO NOT
22 COPY WITHOUT PERMISSION."

23 Q SETTING THAT ASIDE.

24 SHOWING YOU GOVERNMENT'S EXHIBIT 16. AND
25 WHAT IS THAT?

1 A THIS REPRESENTS THE TSMC, TAIWAN SEMICONDUCTOR
2 MANUFACTURING CORPORATION, SPICE MODEL HSPICE
3 VERSION H98.2 AND H98.4.

4 Q AND WHERE WAS THIS LOCATED?

5 A THIS DOCUMENT WAS IDENTIFIED ON LAN LEE'S
6 LAPTOP COMPUTER.

7 Q AND WAS THIS DOCUMENT IN ENGLISH OR IN CHINESE
8 CHARACTERS?

9 A THIS WAS IN ENGLISH.

10 MR. PARRELLA: I'LL OFFER THAT AS
11 GOVERNMENT'S EXHIBIT 16.

12 THE COURT: 16 IS IN EVIDENCE.

13 IS THAT SOUND COMING FROM IN HERE OR
14 OUTSIDE?

15 MAYBE IT WAS OUTSIDE.

16 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 16,
17 HAVING BEEN PREVIOUSLY MARKED FOR
18 IDENTIFICATION, WAS ADMITTED INTO
19 EVIDENCE.)

20 BY MR. PARRELLA:

21 Q I'LL SHOW YOU WHAT HAS BEEN MARKED FOR
22 IDENTIFICATION AS 17.

23 COULD YOU TELL US WHAT THAT IS, PLEASE?

24 A SICO CAPITAL INVESTMENT REPORT.

25 Q AND WHERE WAS THAT LOCATED?

1 A THIS WAS IDENTIFIED ON LAN LEE'S LAPTOP
2 COMPUTER.

3 Q AND WAS THAT IN ENGLISH OR IN CHINESE
4 CHARACTERS?

5 A A COMBINATION OF BOTH. MAINLY IN ENGLISH IT
6 APPEARS.

7 Q AND IS THERE A TRANSLATION ASSOCIATED WITH
8 THAT EXHIBIT?

9 A YES.

10 MR. PARRELLA: OKAY. I'LL OFFER THAT AS
11 17.

12 THE COURT: 17 IS IN EVIDENCE.

13 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 17,
14 HAVING BEEN PREVIOUSLY MARKED FOR
15 IDENTIFICATION, WAS ADMITTED INTO
16 EVIDENCE.)

17 MR. PARRELLA: THANK YOU.

18 Q LOOK AND SEE, IS THERE ANYTHING OF
19 SIGNIFICANCE WITHIN NUMBER 17 TO YOUR INVESTIGATION
20 AT THAT TIME?

21 A YES. THIS DOCUMENT DETAILED SICO'S
22 OPERATIONAL AND RESOURCE COST, AND ON 002594 IT
23 IDENTIFIED HSPICE AS A NECESSARY DESIGN SOFTWARE
24 FOR VENTURE.

25 Q OKAY. WE CAN SET THAT ASIDE.

1 I'LL SHOW YOU WHAT HAS BEEN MARKED AS
2 GOVERNMENT'S EXHIBIT 18.

3 AND WHAT IS THAT?

4 A THIS IS A DOCUMENT ENTITLED NSE 5512 NETWORK
5 SEARCH ENGINE.

6 Q AND WHERE WAS THIS LOCATED?

7 A MR. YUEFEI GE'S PERSONAL COMPUTER.

8 Q AND WAS THIS IN ENGLISH OR IN CHINESE
9 CHARACTERS?

10 A THIS WAS IN ENGLISH.

11 Q OKAY.

12 MR. PARRELLA: I'LL OFFER THIS AS 18.

13 THE COURT: 18 IS IN EVIDENCE.

14 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 18,
15 HAVING BEEN PREVIOUSLY MARKED FOR
16 IDENTIFICATION, WAS ADMITTED INTO
17 EVIDENCE.)

18 BY MR. PARRELLA:

19 Q IS THERE ANYTHING OF SIGNIFICANCE IN THIS
20 DOCUMENT TO YOUR INVESTIGATION, I SHOULD SAY?

21 A YES. THIS DOCUMENT CONTAINS DIAGRAMS, TABLES
22 AND OTHER CHIP ARCHITECTURE IDENTIFIED AS NETLOGIC
23 MICROSYSTEMS INTELLECTUAL PROPERTY BY NETLOGIC
24 PERSONNEL.

25 Q AND CAN YOU TURN TO PAGE 2599, JUST THE SECOND

1 PAGE .

2 AND THE FIRST TWO PARAGRAPHS UNDER
3 DESCRIPTION AND PRODUCT FEATURES, IS THERE A
4 REFERENCE -- WITHDRAWN.

5 DO THEY REFERENCE DEVICES?

6 A YES.

7 Q AND WHAT DEVICES DO THEY REFERENCE?

8 A IN THE FIRST PARAGRAPH THE NSE 5512 IS
9 REFERENCED, AND IN THE SECOND PARAGRAPH THE
10 NSE 5512 GLC IS REFERENCED.

11 Q NOW, DID YOU KNOW WHAT THAT DESIGNATION
12 REFERRED TO?

13 A YES.

14 Q AND HAD YOU -- WHERE HAD YOU LEARNED THAT?

15 A FROM NETLOGIC.

16 Q OKAY. AND WHAT DID THAT REFER TO?

17 A ONE OF THEIR CORE BUSINESS PRODUCTS.

18 Q LET'S GO TO, ON THAT SAME DOCUMENT, PAGE 2610
19 STAMPED ON THE BOTTOM.

20 AND UNDER THE DEVICE LEVEL DESCRIPTION,
21 CAN YOU READ THE FIRST SENTENCE THERE?

22 A "THE SICO NETWORK SEARCH ENGINE WAS DESIGNED
23 TO PERFORM HIGH SPEED ROUTING SEARCHES ON A SINGLE
24 OR MULTIPLE DATA BASES."

25 Q I'M GOING TO SHOW YOU WHAT HAS BEEN MARKED

1 GOVERNMENT'S EXHIBIT 19.

2 AND WHAT IS THAT DOCUMENT?

3 A THIS IS A POWER OF ATTORNEY IDENTIFIED ON
4 LAN LEE'S HOME COMPUTER.

5 Q AND WAS THAT IN ENGLISH OR IN CHINESE
6 CHARACTERS?

7 A THAT'S WRITTEN IN ENGLISH.

8 MR. PARRELLA: OFFER THAT AS 19, YOUR
9 HONOR.

10 THE COURT: EXHIBIT 19 IS IN EVIDENCE.

11 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 19,
12 HAVING BEEN PREVIOUSLY MARKED FOR
13 IDENTIFICATION, WAS ADMITTED INTO
14 EVIDENCE.)

15 BY MR. PARRELLA:

16 Q AGENT, LET ME DIRECT YOUR ATTENTION TO THE
17 VERY FIRST SENTENCE UNDER APPOINTMENT OF AGENT.
18 WOULD YOU READ THAT FOR US?

19 A "I, PRESIDENT OF SICO MICROSYSTEMS, INC.,
20 HEREBY APPOINT MS. QIAN ZHANG OF POWER OF ATTORNEY
21 OF SICO MICROSYSTEMS, INC."

22 Q AT THAT POINT DID YOU KNOW THE TIME QIAN
23 ZHANG?

24 A I DON'T KNOW AT THAT POINT IF I KNEW THAT.

25 Q DID YOU LATER LEARN THAT NAME?

1 A YES.

2 Q AND WHAT SIGNIFICANCE, IF ANY, DID THAT NAME
3 HAVE?

4 A THIS INDIVIDUAL, I BELIEVE A FEMALE, HAD SOME
5 FAMILIAL RELATIONSHIP WITH MR. LEE.

6 Q OKAY. THANK YOU. YOU CAN SET THAT ASIDE.

7 NOW, AGENT, BASED ON THE INFORMATION THAT
8 YOU DEVELOPED, DID YOU SEEK A SEARCH WARRANT FOR A
9 YAHOO E-MAIL ACCOUNT?

10 A YES.

11 Q AND WHOSE ACCOUNT DID YOU SEEK THAT FOR?

12 A MR. LEE'S.

13 Q DID YOU OBTAIN THAT SEARCH WARRANT?

14 MR. NOLAN: OBJECTION, YOUR HONOR. COULD
15 WE GET THE TIME ON THIS?

16 THE COURT: WELL, HE CAN ASK THE
17 QUESTIONS IN ANY ORDER. EVENTUALLY I WOULD THINK
18 THAT THAT MIGHT BE APPROPRIATE IF IT DOESN'T COME
19 OUT.

20 SO I DON'T HEAR AN OBJECTION.

21 BY MR. PARRELLA:

22 Q WHAT DATE WAS THE SEARCH WARRANT OBTAINED?

23 A I BELIEVE IN APRIL OF 2004.

24 Q OKAY. AND WHAT DATE --

25 A I COULD REFER TO MY NOTES TO GIVE AN EXACT

1 DATE.

2 FOR APRIL 24TH, 2004.

3 Q AND DID YOU OBTAIN ANY E-MAILS AS A RESULT OF
4 THAT?

5 A YES.

6 Q I'M SHOWING YOU WHAT HAS BEEN MARKED 2A, 2B,
7 2C, AND 2D.

8 TAKE 2A, PLEASE, AND TELL ME WHAT IS
9 THAT?

10 A THIS IS AN E-MAIL BETWEEN LAN LEE AND AN
11 INDIVIDUAL IDENTIFIED AS S.C. ZOU DATED DECEMBER
12 8TH, 2002.

13 Q AND THIS WAS OBTAINED FROM YAHOO?

14 A CORRECT.

15 Q AND WAS THIS IN ENGLISH OR CHINESE CHARACTERS?

16 A ENGLISH.

17 MR. PARRELLA: I'LL OFFER THAT AS 2A,
18 YOUR HONOR.

19 THE COURT: 2A IS IN EVIDENCE.

20 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 2A,
21 HAVING BEEN PREVIOUSLY MARKED FOR
22 IDENTIFICATION, WAS ADMITTED INTO
23 EVIDENCE.)

24 BY MR. PARRELLA:

25 Q IS THERE ANYTHING THAT IS SIGNIFICANT IN THIS

1 E-MAIL?

2 MR. SWANSON: OBJECTION, YOUR HONOR. TO
3 CLARIFY, FOR PURPOSES OF THE INVESTIGATION?

4 MR. PARRELLA: CORRECT.

5 Q FOR PURPOSES OF THE INVESTIGATION?

6 A YES.

7 Q AND COULD YOU TELL US WHAT THAT WAS?

8 A S.C. ZOU INFORMED MR. LAN LEE THAT IT WAS A
9 PLEASURE HAVING HIM VISIT HIS OFFICES AND MR. ZOU
10 OFFERED SOME ADVICE REGARDING SICO'S BUSINESS PLAN.

11 HE OFFERED FOUR BULLET POINTS STATING
12 THAT THE BUSINESS PLAN LACKED THESE FOLLOWING
13 IMPORTANT INFORMATION: COMPETITOR LIST AND THE
14 PRODUCT MARKET POSITIONS; THE ADVANTAGE OF SICO
15 EAST TECHNOLOGY COMPARED TO COMPETITORS; THE REASON
16 THAT THE MAJOR SYSTEM CUSTOMERS IS WILLING TO
17 ACCEPT SICO'S PRODUCTS; THE ARCHITECTURE AND
18 CURRENT PRODUCT DEVELOPMENT STATUS; AND SICO'S
19 DEVELOPMENT PRODUCT.

20 Q AND 2B?

21 A THIS IS AN E-MAIL BETWEEN AN INDIVIDUAL
22 IDENTIFIED AS XUEPING AND LAN LEE. THE E-MAIL IS
23 DATED APRIL 23, 2003 AND IT'S WRITTEN IN THE
24 ENGLISH LANGUAGE.

25 Q AND YOU OBTAINED THAT FROM YAHOO?

1 A YES.

2 MR. PARRELLA: I OFFER THAT AS 2B, YOUR
3 HONOR.

4 THE COURT: 2B IS IN EVIDENCE.

5 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 2B,
6 HAVING BEEN PREVIOUSLY MARKED FOR
7 IDENTIFICATION, WAS ADMITTED INTO
8 EVIDENCE.)

9 BY MR. PARRELLA:

10 Q ANYTHING OF SIGNIFICANCE TO THE INVESTIGATION
11 WITHIN THIS E-MAIL?

12 A YEAH. BASED ON THE E-MAIL IT APPEARS THAT
13 XUEPING MAY HAVE CONDUCTED SOME NEGOTIATIONS ON
14 BEHALF OF SICO OR LAN LEE, AND THE FIRST SENTENCE
15 STATED THAT "I HAVE CALLED MY FRIEND ABOUT THE
16 PROJECT. IT SEEMS THAT IT HAS NOT BEEN APPROVED BY
17 HIS BOARD YET."

18 Q OKAY. AND 2C?

19 A THIS IS AN E-MAIL STRING BETWEEN YUEFEI GE,
20 LAN LEE, AND XIAODONG YANG, AS WELL AS KENT YUKAWA
21 AND IT'S ENTITLED "SHORT SUMMARY."

22 Q WAS THIS IN ENGLISH WHEN IT WAS OBTAINED?

23 A YES.

24 Q AND FROM YAHOO?

25 A YES.

1 MR. PARRELLA: I'LL OFFER THIS AS 2C.
2 THE COURT: 2C IS IN EVIDENCE.
3 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 2C,
4 HAVING BEEN PREVIOUSLY MARKED FOR
5 IDENTIFICATION, WAS ADMITTED INTO
6 EVIDENCE.)

7 BY MR. PARRELLA:

8 Q SO, NOW, AGENT, ARE YOU FAMILIAR WITH
9 GOVERNMENT 1D WHICH WAS AN E-MAIL DATED 5-15-03
10 FROM JKLWANG123 TO RON JANKOV?

11 A YES.

12 Q AND KEEPING THAT IN MIND, WAS THERE ANYTHING
13 SIGNIFICANT ABOUT GOVERNMENT 2C --

14 A YES. THE --

15 Q -- TO YOUR INVESTIGATION AT THE TIME?

16 A YES. EXHIBIT 2C SUMMARIZED AN E-MAIL,
17 SUMMARIZED THE COMPLETION OF A CONTRACT BETWEEN
18 SICO AND A THIRD PARTY.

19 A PRELIMINARY CONTRACT RELATING TO
20 EXHIBIT 1D IS THE EXACT SAME DATE WITH GENERALLY
21 THE SAME INFORMATION AS ARTICULATED FROM THE THEN
22 OMNIBUS COMPLAINER OF NETLOGIC TO RON JANKOV.

23 Q SET THAT ASIDE.

24 AND 2D?

25 A 2D IS AN E-MAIL FROM KENT YUKAWA TO LAN LEE,

1 YUEFEI GE, AND XIAODONG YANG. IT'S A STRING, AND
2 THE LAST DATE ON THE DOCUMENT IS JUNE 3RD.

3 Q AND JUNE 3RD OF WHAT YEAR?

4 A OF 2003.

5 Q AND WAS THIS OBTAINED FROM YAHOO?

6 A YES.

7 Q IN ENGLISH?

8 A YES.

9 MR. PARRELLA: I'LL OFFER THIS AS 2D.

10 THE COURT: 2D IS IN EVIDENCE.

11 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 2D,
12 HAVING BEEN PREVIOUSLY MARKED FOR
13 IDENTIFICATION, WAS ADMITTED INTO
14 EVIDENCE.)

15 MR. SWANSON: AND YOUR HONOR, IF I COULD
16 BE CLEAR, TO THE EXTENT OF ALL OF THESE DOCUMENTS
17 -- TO THE EXTENT THEY'RE INCLUDING STATEMENTS OF
18 OTHER INDIVIDUALS, I ASSUME THE GOVERNMENT IS NOT
19 OFFERING IT FOR THEIR TRUTH, BUT FOR THE EFFECT ON
20 THIS LISTENER AND HIS INVESTIGATION?

21 THE COURT: WELL, THEY'RE BEING RECEIVED
22 IN EVIDENCE AS MATERIALS THAT WERE OBTAINED AS A
23 RESULT OF THE WORK.

24 WHETHER WHAT IS CONTAINED IN THEM IS NOT
25 BEING OFFERED AT THIS POINT, THERE'S NO TESTIMONY

1 FROM THE WITNESS AS TO KNOWLEDGE ABOUT THAT.

2 HE'S SIMPLY OFFERING THESE AS EXHIBITS
3 THAT WERE OBTAINED AS A RESULT OF THE SEARCH AND
4 THEY COME INTO EVIDENCE FOR THAT PURPOSE.

5 MR. SWANSON: THANK YOU, YOUR HONOR.

6 BY MR. PARRELLA:

7 Q SO WAS THERE ANY SIGNIFICANCE -- WAS THERE
8 ANYTHING IN THIS DOCUMENT, I'M SORRY, 2D, THAT WAS
9 OF SIGNIFICANCE TO YOUR INVESTIGATION AT THAT TIME?

10 A YES. KENT YUKAWA AUTHORED THE BODY OF THIS
11 INITIAL E-MAIL, AND IN SHORT HE ASKED THE SICO
12 PARTNERS IF THEY REALLY WANTED TO COMPLETE THIS
13 PROJECT.

14 HE ALSO SUGGESTS SPLITTING UP THE TASKS
15 EQUALLY AMONG THE PARTNERS.

16 AND HE ALSO -- IT'S NOT IDENTIFIABLE, BUT
17 THERE IS AN ATTACHMENT IDENTIFIED AS PART 2
18 APPLICATION TO THIS E-MAIL. AND YOU CAN SEE THAT
19 ON THE PAGE 002433.

20 Q SO WAS THAT ATTACHMENT RETRIEVED AS PART OF
21 THE RESULTS OF THE SEARCH WARRANT AT YAHOO?

22 A IT WAS NOT.

23 Q SO JUST TO BE CLEAR, IN OTHER WORDS, ALL THAT
24 CAME UP WAS WHAT WAS ON THE DOCUMENT ITSELF?

25 A CORRECT.

1 Q THAT'S ALL OF THE INFORMATION YOU HAD ABOUT
2 THAT?

3 A YES.

4 Q NOW, AGENT, SUBSEQUENTLY DID YOU -- DID THE
5 F.B.I. GO TO THE DELAWARE SECRETARY OF STATE AND
6 OBTAIN RECORDS?

7 A WE ORIGINALLY RECEIVED DELAWARE SECRETARY OF
8 STATE RECORDS FROM NETLOGIC, AND THIS EXHIBIT 3 IS
9 THE OFFICIAL VERSION OF THE SECRETARY OF STATE
10 RECORDS, YES.

11 Q AND SO WHAT IS THAT?

12 A THIS IS THE CERTIFICATE OF INCORPORATION OF
13 SICO MICROSYSTEMS.

14 MR. PARRELLA: AND, YOUR HONOR, I'LL
15 OFFER THAT AS 3.

16 THE COURT: EXHIBIT 3 IS IN EVIDENCE.
17 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 3,
18 HAVING BEEN PREVIOUSLY MARKED FOR
19 IDENTIFICATION, WAS ADMITTED INTO
20 EVIDENCE.)

21 MR. PARRELLA: THANK YOU.

22 Q AND CAN YOU TURN TO THE SECOND PAGE OF THAT.

23 AND TELL ME, IS THERE A DATE OF THE
24 INCORPORATION?

25 A DATED MAY 3RD, 2002.

1 Q OKAY. THANK YOU.

2 ONE MOMENT, PLEASE.

3 (PAUSE IN PROCEEDINGS.)

4 MR. PARRELLA: YOUR HONOR, I JUST WANTED
5 TO MAKE SURE THAT I OFFERED GOVERNMENT EXHIBIT 22.

6 Q AGENT, CAN YOU RETRIEVE THAT?

7 A YEAH.

8 Q OKAY.

9 THE COURT: 22 IS NOT IN EVIDENCE. IT
10 WAS REFERRED TO, BUT YOU HAVEN'T OFFERED IT INTO
11 EVIDENCE.

12 BY MR. PARRELLA:

13 Q SO CAN YOU TELL US HOW YOU -- WELL, TELL US
14 WHAT 22 IS AGAIN?

15 A EXHIBIT 22 IS AN FD-597.

16 Q AND WHAT IS THAT?

17 A IT'S A RECEIPT FOR PROPERTY RECEIVED,
18 RETURNED, RELEASED OR SEIZED.

19 THE COURT: ARE YOU OFFERING IT NOW?

20 MR. PARRELLA: YES, I'M SORRY.

21 Q AND WAS THAT UTILIZED IN THIS INVESTIGATION?

22 A YES, IT WAS.

23 Q AND HOW WAS IT?

24 A THIS WAS GIVEN -- SIGNED BY MR. LEE'S ATTORNEY
25 SIGNED FOR THE SONY VAIO COMPUTER ON JULY 24, 2003.

1 MR. PARRELLA: I'LL OFFER THAT.

2 THE COURT: 22 IS IN EVIDENCE.

3 (WHEREUPON, PLAINTIFF'S EXHIBIT NUMBER 22,
4 HAVING BEEN PREVIOUSLY MARKED FOR
5 IDENTIFICATION, WAS ADMITTED INTO
6 EVIDENCE.)

7 MR. PARRELLA: JUST A MOMENT.

8 (PAUSE IN PROCEEDINGS.)

9 MR. PARRELLA: I HAVE NOTHING FURTHER AT
10 THIS POINT.

11 THE COURT: VERY WELL. YOU MAY
12 CROSS-EXAMINE.

13 MR. NOLAN: THANK YOU, YOUR HONOR.

14 **CROSS-EXAMINATION**

15 BY MR. NOLAN:

16 Q AT THE TIME THAT YOU WERE LOOKING AT THESE
17 DOCUMENTS AND THEY HAD RELEVANCE TO YOU IN THE
18 COURSE OF THE INVESTIGATION, YOUR INVESTIGATION WAS
19 OF THEFT OF TRADE SECRETS, AND POSSIBLY THEFT OF
20 TRADE SECRETS WITH THE INTENT TO BENEFIT THE
21 GOVERNMENT OF CHINA; IS THAT CORRECT?

22 A CORRECT.

23 Q I'M SORRY?

24 A CORRECT.

25 Q AND SO THE FIRST DETERMINATION THAT HAS TO BE

1 MADE BY YOU TO DETERMINE WHETHER IT'S WORTH
2 PURSUING SUCH AN INVESTIGATION IS TO WHETHER OR NOT
3 THERE'S BEEN ANY THEFT OF TRADE SECRETS; CORRECT?

4 A CORRECT.

5 Q IF THERE'S BEEN NO THEFT OF TRADE SECRETS OR
6 ATTEMPT TO -- I'M SORRY -- OR ATTEMPT TO STEAL A
7 TRADE SECRET, THEN IT REALLY DOESN'T MATTER WHETHER
8 OR NOT, FOR EXAMPLE, MR. LEE AND MR. GE ARE
9 NEGOTIATING WITH THE 863 PROJECT; CORRECT?

10 MR. PARRELLA: OBJECTION, YOUR HONOR.
11 THIS CALLS FOR A CONCLUSION.

12 MR. NOLAN: NO.

13 THE COURT: SUSTAINED.

14 BY MR. PARRELLA:

15 Q DID YOU BELIEVE THAT IT WAS RELEVANT TO YOUR
16 INVESTIGATION AS TO WHETHER OR NOT MR. GE AND
17 MR. LEE WERE CONSULTING WITH THE 863 PROGRAM IF, IN
18 FACT, THERE WERE NO TRADE SECRETS INVOLVED?

19 A ABSOLUTELY.

20 MR. PARRELLA: OBJECTION. IT'S
21 SPECULATION.

22 THE COURT: OVERRULED.

23 BY MR. NOLAN:

24 Q DID YOU BELIEVE THAT THERE WAS SOMETHING
25 ILLEGAL OR WRONG WITH A U.S. CITIZEN NEGOTIATING OR

1 TRYING TO GET FUNDS FROM THE 863 PROJECT AS LONG AS
2 THEY DO NOT USE TRADE SECRETS?

3 A YES.

4 Q AND ON WHAT DO YOU BASE THAT OPINION, SIR?

5 A AN ABUNDANCE OF PUBLIC SOURCE INFORMATION
6 DOCUMENTING THAT THE 863 PROGRAM HAS FINANCED
7 VENTURES WITH NEFARIOUS ILLEGAL INTENT.

8 Q AND WHAT IS THE FEDERAL CRIME OF NEGOTIATING
9 WITH THE 863 PROGRAM TO GET FUNDS FROM THEM TO
10 BUILD A COMPANY IN CHINA?

11 MR. PARRELLA: I OBJECT. HE'S
12 MISCHARACTERIZING --

13 THE COURT: SUSTAINED.

14 MR. PARRELLA: -- THE WITNESS'S
15 TESTIMONY.

16 THE COURT: YOU MAY ASK HIS
17 UNDERSTANDING.

18 MR. NOLAN: HIS UNDERSTANDING.

19 Q WHAT IS YOUR UNDERSTANDING OF THE FEDERAL
20 CRIME, IF ANY, OF NEGOTIATING WITH THE 863 PROGRAM
21 IN ORDER TO GET FUNDS TO START A BUSINESS IN CHINA?

22 A THERE'S NO CRIME TO NEGOTIATE IF THERE IS NO
23 ILLEGALITY.

24 Q IS THERE ANY CRIME TO START A COMPANY TO
25 COMPETE WITH NETLOGIC?

1 A NO.

2 Q IS THERE ANY CRIME, IN YOUR OPINION, FOR
3 MR. LEE AND MR. GE TO NEGOTIATE WITH PEOPLE TO TRY
4 TO FIND FUNDS IN CHINA?

5 A NO.

6 Q AND IS THERE ANYTHING, IN YOUR OPINION, THAT
7 IS ILLEGAL ABOUT TRYING TO SEEK FUNDS FROM THE
8 GENERAL ARMAMENTS DIVISION TO START A COMPANY IN
9 CHINA?

10 A NO.

11 Q IS IT YOUR OPINION, SIR, THAT IN ORDER FOR
12 THIS TO BE A FEDERAL CRIME, THE PERSON HAS TO USE
13 OR INTEND TO USE A TRADE SECRET?

14 MR. PARRELLA: OBJECTION, YOUR HONOR,
15 THIS IS THE JURY'S DECISION.

16 THE COURT: SUSTAINED.

17 BY MR. NOLAN:

18 Q IN YOUR DETERMINING WHETHER OR NOT THESE
19 PARTICULAR PIECES OF EVIDENCE WERE RELEVANT TO YOUR
20 INVESTIGATION, WERE ANY OF THEM THAT YOU'VE
21 TESTIFIED ABOUT RELEVANT TO WHETHER OR NOT THERE
22 WAS A TRADE SECRET THAT WAS INTENDED TO BE STOLEN?

23 A YES.

24 Q WHICH ONE?

25 A WELL, I CAN START WITH EXHIBIT 15.

1 Q ALL RIGHT. WHAT IS IT IN EXHIBIT 15 THAT YOU
2 BELIEVE IS RELEVANT TO WHETHER OR NOT A TRADE
3 SECRET WAS STOLEN IN THE COURSE OF YOUR
4 INVESTIGATION?

5 A WELL, I'M NOT A TECHNICAL EXPERT, BUT
6 INFORMATION REVIEWED IN THIS DOCUMENT FROM NETLOGIC
7 PERSONAL IDENTIFIED THAT THIS DOCUMENT CONTAINED
8 DIAGRAMS, TECHNICAL SPECIFICATIONS AND CERTAIN
9 DIAGRAMS THAT WERE SOME TRADE SECRETS AND
10 INTELLECTUAL PROPERTY.

11 Q I'M SORRY. I DIDN'T MEAN TO INTERRUPT YOU.

12 SO YOU DON'T KNOW, BUT YOU BELIEVE
13 BECAUSE SOMEONE AT NETLOGIC TOLD YOU; CORRECT?

14 A THAT IS CORRECT. I AM NOT A TECHNICAL EXPERT.

15 Q RIGHT. YOU DID NOT CONDUCT AN INDEPENDENT
16 EVALUATION OF NETLOGIC AND THE TECHNICAL
17 INFORMATION TO MAKE THAT DETERMINATION; CORRECT?

18 A NO, I DID NOT. I'M NOT A TECHNICAL EXPERT.

19 Q YOU WERE AWARE, WERE YOU NOT, THAT A NUMBER OF
20 TERMS HAD BEEN USED BY NETLOGIC AND OTHERS TO
21 DESCRIBE INFORMATION; CORRECT?

22 A YES.

23 Q AND THAT A NUMBER OF DOCUMENTS THAT HAVE BEEN
24 THE SUBJECT OF THIS INVESTIGATION HAVE BEEN MARKED
25 IN DIFFERENT WAYS; CORRECT?

1 A YES.

2 Q AND SOME OF THE WAYS IN WHICH THEY HAVE BEEN
3 MARKED HAVE BEEN CONFIDENTIAL; CORRECT?

4 A CORRECT.

5 Q SOMETIMES YOU HAVE REFERRED TO, OR PEOPLE HAVE
6 REFERRED TO IT AS PROPRIETARY; CORRECT?

7 THE COURT: WELL, YOU NEED TO CLARIFY WHO
8 YOU'RE TALKING ABOUT AS "PEOPLE REFERRED TO" IN THE
9 COMPOUND WAY.

10 MR. NOLAN: ALL RIGHT.

11 Q IN THE COURSE OF YOUR INVESTIGATION THE WORD
12 "PROPRIETARY" HAS BEEN USED; CORRECT?

13 A YES.

14 Q AND TRADE SECRET; CORRECT?

15 A YES.

16 Q AND IN YOUR INVESTIGATION, THE PURPOSE OF
17 DETERMINING WHETHER A FEDERAL CRIME WAS COMMITTED,
18 OR PROBABLE CAUSE TO BELIEVE IT WAS COMMITTED, IT
19 WOULD BE RELEVANT TO YOUR INVESTIGATION TO
20 DETERMINE WHETHER OR NOT SOMETHING IS A TRADE
21 SECRET; CORRECT?

22 A CORRECT.

23 Q AND DO YOU CONSIDER ALL CONFIDENTIAL
24 INFORMATION TO BE TRADE SECRET?

25 MR. PARRELLA: YOUR HONOR, I'M GOING TO

1 OBJECT. THIS IS IRRELEVANT.

2 THE COURT: SUSTAINED.

3 BY MR. NOLAN:

4 Q DO YOU BELIEVE THAT THEY ARE ONE AND THE SAME?

5 MR. PARRELLA: OBJECTION. SAME
6 OBJECTION.

7 THE COURT: SUSTAINED.

8 BY MR. NOLAN:

9 Q IN THE COURSE OF YOUR DETERMINING WHAT IS
10 RELEVANT TO YOUR INVESTIGATION -- WELL, LET ME ASK
11 YOU THIS: IN THE COURSE OF YOUR INVESTIGATION, DID
12 YOU TRY TO DISTINGUISH BETWEEN CONFIDENTIAL
13 INFORMATION AND TRADE SECRET INFORMATION?

14 A THESE TERMS ARE IRRELEVANT TO WHAT IS TRADE
15 SECRET AND WHAT IS INTELLECTUAL PROPERTY.

16 Q I SEE. SO BASICALLY THE STAMPING OF SOMETHING
17 AS "CONFIDENTIAL" IS IRRELEVANT; CORRECT?

18 A NO. IT'S THE MEANS BY WHICH IT IS PROTECTED
19 AND WHETHER OR NOT IT IS READILY ASCERTAINABLE TO
20 THE GENERAL PUBLIC.

21 Q IS WHETHER OR NOT IT IS STAMPED "CONFIDENTIAL"
22 IRRELEVANT?

23 THE COURT: WELL, YOU NEED TO CONTINUE TO
24 FRAME YOUR QUESTIONS IN A PROPER WAY --

25 MR. NOLAN: VERY WELL.

1 THE COURT: -- RATHER THAN HAVE THIS
2 WITNESS TESTIFY ABOUT WHETHER SOMETHING IS.

3 HE CAN TELL US WHETHER IT WAS SIGNIFICANT
4 TO HIS INVESTIGATION AND/OR WHETHER OR NOT HE MADE
5 CERTAIN FINDINGS DURING THE COURSE OF THE
6 INVESTIGATION.

7 BY MR. NOLAN:

8 Q DID YOU MAKE DETERMINATIONS IN THE COURSE OF
9 YOUR INVESTIGATION IN YOUR OWN MIND THAT CERTAIN
10 THINGS THAT WERE MARKED "CONFIDENTIAL" WERE, IN
11 FACT, TRADE SECRET?

12 A I DIDN'T BASE --

13 Q CAN YOU ANSWER THE QUESTION?

14 A I'M TRYING TO.

15 Q CAN YOU ANSWER IT YES OR NO?

16 A CAN YOU PLEASE REPHRASE IT OR --

17 THE COURT: RESTATE IT.

18 THE WITNESS: RESTATE IT.

19 BY MR. NOLAN:

20 Q DID YOU MAKE ANY, OR COME TO ANY CONCLUSIONS
21 THAT THINGS WERE TRADE SECRETS BASED UPON THEIR
22 BEING MARKED "CONFIDENTIAL" DURING THE COURSE OF
23 YOUR INVESTIGATION?

24 A YES.

25 Q AND DID YOU MAKE ANY DETERMINATION THAT THINGS

1 WERE NOT TRADE SECRETS THAT WERE MARKED
2 "CONFIDENTIAL" IN THE COURSE OF YOUR INVESTIGATION?

3 A YES.

4 Q AND DID YOU USE ANY DOCUMENTS FROM NETLOGIC TO
5 MAKE THAT DETERMINATION AS TO ISSUES ABOUT
6 NETLOGIC'S ALLEGED CONFIDENTIAL INFORMATION?

7 MR. PARRELLA: OBJECTION, YOUR HONOR.
8 THIS IS VAGUE.

9 THE COURT: OVERRULED.

10 THE WITNESS: I DIDN'T USE ANY OTHER
11 DOCUMENTS TO ASSESS ANY OF THE DOCUMENTS.
12 NETLOGIC'S PERSONNEL ASSESSED NETLOGIC'S
13 INFORMATION.

14 BY MR. NOLAN:

15 Q SO YOU ACCEPTED NETLOGIC'S ASSESSMENT OF THEIR
16 CHARACTERIZATION OF THEIR INFORMATION; IS THAT
17 CORRECT?

18 A YES.

19 Q ALL RIGHT. DID YOU SEEK ANY INDEPENDENT
20 ADVICE AS TO WHETHER OR NOT -- THEIR OPINION AS TO
21 WHETHER OR NOT SPECIFIC INFORMATION WAS OR WAS NOT
22 CONFIDENTIAL AND/OR POSSIBLY TRADE SECRET?

23 MR. PARRELLA: OBJECTION. COULD WE
24 DEFINE "INDEPENDENT"?

25 THE COURT: I'M SORRY?

1 MR. PARRELLA: I'M ASKING FOR A
2 DEFINITION OF "INDEPENDENT."

3 BY MR. NOLAN:

4 Q OUTSIDE OF NETLOGIC INDIVIDUALS?

5 A NO.

6 Q AND YOU'RE NOT AN EXPERT IN THE AREA OF
7 IDENTIFYING OR DETERMINING WHAT IS A TRADE SECRET;
8 CORRECT?

9 A I'M AN EXPERT IN IDENTIFYING --

10 Q ARE YOU AN EXPERT IN IDENTIFYING TRADE
11 SECRETS?

12 A YES, I WOULD SAY I AM.

13 Q ALL RIGHT. AND YOUR EXPERTISE, THEN, IS
14 WHATEVER THE COMPANY SAYS IT IS, IT IS; IS THAT
15 CORRECT?

16 A THAT'S INCORRECT.

17 Q ALL RIGHT. IN THIS PARTICULAR CASE, YOU
18 DIDN'T BASE YOUR OPINION ON ANYTHING OTHER THAN
19 WHAT THE COMPANY SAID; CORRECT?

20 A INCORRECT.

21 Q WHAT ELSE DID YOU BASE YOUR OPINION ON IN
22 ADDITION TO WHAT THE COMPANY SAID?

23 A THE MEASURES THAT THEY TOOK TO PROTECT THE
24 INTELLECTUAL PROPERTY.

25 Q I'M SORRY. DIDN'T THEY SAY THAT TO YOU?

1 A THAT --

2 Q YOU DON'T KNOW WHAT -- EXCUSE ME. I SHOULDN'T
3 HAVE TALKED OVER YOU.

4 ISN'T IT TRUE THAT YOU RECEIVED THAT
5 INFORMATION FROM NETLOGIC?

6 A YES.

7 Q AND SO THAT'S INFORMATION THAT YOU GOT FROM
8 THE COMPANY; CORRECT?

9 A THAT'S CORRECT.

10 Q AND NOT ANY INDEPENDENT EXAMINATION BY
11 YOURSELF; CORRECT?

12 A NO. I ASKED THE COMPANY WHAT MEASURES THEY
13 TOOK TO PROTECT THEIR INTELLECTUAL PROPERTY.

14 Q SO YOU RELIED UPON WHAT THEY TOLD YOU;
15 CORRECT?

16 A YES.

17 Q YOU DID NO INDEPENDENT EXAMINATION OF ANY
18 INDIVIDUALS OR DOCUMENTS OR ANYTHING AT THE
19 COMPANY; CORRECT?

20 A INCORRECT.

21 Q OKAY. WHO -- OTHER THAN TALKING TO EMPLOYEES,
22 WHAT ELSE DID YOU DO?

23 A WELL, WE RECEIVED A PROPRIETARY INVENTIONS
24 AGREEMENT THAT WAS SIGNED BY BOTH DEFENDANTS.

25 Q OKAY. SO DID YOU RELY UPON THAT AGREEMENT IN

1 COMING TO ANY DETERMINATION IN YOUR OWN MIND AS TO
2 WHETHER OR NOT SOMETHING WAS A TRADE SECRET?

3 A NOT SOLELY.

4 Q DID YOU AT ALL RELY UPON THAT AGREEMENT?

5 A YES.

6 Q DID YOU READ THAT AGREEMENT?

7 A YES.

8 Q DID YOU UNDERSTAND THAT AGREEMENT?

9 A YES.

10 Q DID YOU BELIEVE THAT IF THEY VIOLATED ANY
11 PORTION OF THAT AGREEMENT, THAT IT WOULD BE A
12 VIOLATION OF THE TRADE SECRET LAW?

13 A IF MANY OTHER ELEMENTS WERE IN PLACE, YES.

14 Q IF -- IF THEY VIOLATED THE PROVISIONS OF THAT
15 AGREEMENT, WHAT ELSE WOULD HAVE TO BE IN PLACE?

16 A WELL, THE COMPANY WOULD HAVE TO PROPERLY
17 PROVIDE SECURITY, NETWORK SECURITY, ACCESS NETWORK
18 SECURITY, AS WELL AS THAT AGREEMENT.

19 Q AND, AGAIN, THE SECURITY AND THE ACCESS IS
20 SOMETHING THAT YOU RELIED UPON FROM THE COMPANY;
21 CORRECT?

22 A ABSOLUTELY.

23 Q BECAUSE IN YOUR MIND THEY DID NOT HAVE A
24 MOTIVE TO MISREPRESENT HOW WELL THEY'RE PROTECTING
25 THEIR PROPERTY; IS THAT CORRECT?

1 A THAT'S NOT CORRECT.

2 Q ALL RIGHT. BECAUSE THEY'RE MORE HONEST THAN
3 MR. GE AND MR. LEE?

4 A THAT'S NOT CORRECT.

5 Q BY THE WAY, DO YOU -- IN THE COURSE OF YOUR
6 INVESTIGATION, DID YOU HAVE ANY RESPECT FOR THE
7 SICO CONFIDENTIAL MARKINGS THAT MR. LEE PUT ON HIS
8 DOCUMENTS?

9 MR. PARRELLA: I WOULD OBJECT TO THIS,
10 YOUR HONOR.

11 THE COURT: AS VAGUE?

12 MR. PARRELLA: YES.

13 THE COURT: YOU NEED TO STATE YOUR
14 GROUND --

15 MR. PARRELLA: ALL RIGHT. I WILL.

16 THE COURT: -- WHEN YOU MAKE YOUR
17 OBJECTION.

18 I'LL SUSTAIN IT BECAUSE I'M NOT SURE WHAT
19 YOU MEAN BY "RESPECT FOR."

20 MR. NOLAN: VERY WELL.

21 Q DO YOU BELIEVE THAT MR. LEE AND MR. GE IN THE
22 COURSE OF STARTING UP IN CHINA HAD A RIGHT TO
23 PROTECT THEIR OWN TRADE SECRETS?

24 A ABSOLUTELY.

25 Q AND ISN'T IT TRUE THAT YOU TOOK DOCUMENTS FROM

1 THE COMPUTER THAT SAID SICO THAT HAD "CONFIDENTIAL,
2 PROPRIETARY" AND YOU SHOWED THEM TO NETLOGIC?

3 A YES, I DID.

4 Q AND YOU DIDN'T GET ANY PERMISSION FROM ANYBODY
5 TO DO THAT; CORRECT?

6 A WELL --

7 Q DID YOU GET PERMISSION FROM ANYBODY TO DO
8 THAT?

9 A WELL, MR. LEE INSISTED THAT THEY WERE ALL
10 PUBLIC SOURCE DOCUMENTS.

11 Q HE INSISTED. I SEE.

12 SO MR. LEE INSISTED THAT EVERYTHING THAT
13 HE PUT TOGETHER WAS IN PUBLIC SOURCE DOCUMENTS; IS
14 THAT CORRECT?

15 A ABSOLUTELY, FROM DAY ONE.

16 Q RIGHT. AND SO DID MR. LEE SAY THAT NOTHING
17 THAT HE HAD DONE WAS PROPRIETARY?

18 A EVERYTHING THAT HE --

19 Q I'M SORRY. DID HE SAY THAT NOTHING HE HAD
20 DONE WAS PROPRIETARY?

21 A I DON'T RECALL WHAT MR. LEE SAID. WE MET
22 SEVERAL TIMES, BUT --

23 Q SO HIS SAYING THAT EVERYTHING THAT HE CAME --
24 HE DID CAME FROM PUBLIC SOURCE DOCUMENTS --

25 A UH-HUH.

1 Q -- MEANT IN YOUR OPINION THAT HE COULD,
2 THEREFORE, NOT PUT PUBLIC SOURCE DOCUMENTS TOGETHER
3 AND CREATE HIS OWN PLAN THAT WOULD BE ENTITLED TO
4 PROTECTION; CORRECT?

5 A CAN YOU RESTATE THAT?

6 Q MR. LEE HAS ALWAYS INSISTED TO YOU --
7 YOUR HONOR, MAY I OPEN UP SUBJECTS
8 PREVIOUSLY RULED UPON AND -- MAY WE APPROACH
9 BRIEFLY?

10 THE COURT: NO, YOU MAY NOT. YOU MAY
11 CONTINUE YOUR CROSS-EXAMINATION.

12 MR. NOLAN: ALL RIGHT. THANK YOU VERY
13 MUCH.

14 Q LET'S -- DID YOU, IN THE COURSE OF YOUR
15 INVESTIGATION, HAVE ANY CONCERN ABOUT THE INTEGRITY
16 OF THE NETLOGIC PEOPLE?

17 A COULD YOU EXPLAIN INTEGRITY?

18 Q WELL, THEIR ABILITY TO TELL YOU THE TRUTH AND
19 BE CANDID.

20 A OH, ABSOLUTELY I HAD CONCERNS OF THAT.

21 Q UH-HUH. AND EVEN AFTER YOU HAD CONCERNS ABOUT
22 THAT, YOU STILL RELIED UPON THEM TO DECIDE WHETHER
23 OR NOT SOMETHING WAS ADEQUATELY PROTECTED BY THEM;
24 CORRECT?

25 A WELL, I ASSESSED WHAT THEY PROVIDED ME IN

1 CONDUCTING LOGICAL BACKGROUND INVESTIGATIONS TO
2 MAKE SURE I WASN'T DEALING WITH SOMEBODY WHO HAD
3 PREVIOUSLY BEEN INVOLVED IN SOME TRADE SECRET
4 VIOLATION OR --

5 Q WHAT DOCUMENTS DID YOU ASK FOR FROM NETLOGIC
6 TO CONFIRM THAT THEY -- HOW THEY PROTECT THEIR DATA
7 SHEETS, FOR EXAMPLE?

8 A WELL, WE HAD THE PROPRIETARY INVENTIONS
9 AGREEMENT.

10 Q UH-HUH.

11 A AND THEN WE HAD MORE THAN ONE DISCUSSION
12 REGARDING THEIR PHYSICAL AND SYSTEMS SECURITY.

13 Q UH-HUH.

14 A AND I BELIEVE THOSE ARE DOCUMENTED IN 302'S.

15 Q ANYTHING ELSE?

16 A I DO NOT RECALL ANYTHING ELSE OFF THE TOP OF
17 MY HEAD.

18 Q AND THEY TOLD YOU IN THE COURSE OF BUSINESS
19 THAT ALL DATA SHEETS ARE GIVEN OUT WITH NDA'S;
20 CORRECT?

21 A I DON'T REMEMBER THEM USING "ALL" TERMS, BUT
22 PARTICULARLY WHEN DATA SHEETS ARE GIVEN TO
23 POTENTIAL CUSTOMERS, THEY ARE GIVING SO UNDER
24 NDA'S, YES.

25 BUT I DON'T KNOW THAT EVERY SINGLE

1 DOCUMENT THEY GIVE OUT IS UNDER NDA, EVERY SINGLE
2 DATA SHEET THAT IS.

3 Q WELL, IF THEY GIVE OUT A DATA SHEETS AND IT'S
4 NOT UNDER NDA, THEN IT'S NOT ENTITLED TO TRADE
5 SECRET PROTECTION IN YOUR MIND; CORRECT?

6 A YEAH. IF IT'S NOT UNDER NDA THEN IT WOULD NOT
7 BE A TRADE SECRET, CORRECT.

8 Q AND DID YOU ASK THEM WHETHER OR NOT THEY GAVE
9 OUT DATA SHEETS TO POTENTIAL CUSTOMERS THAT WERE
10 NOT NDA'S?

11 MR. PARRELLA: OBJECTION.

12 THE COURT: OVERRULED.

13 THE WITNESS: I'M NOT SURE I UNDERSTAND
14 THE QUESTION.

15 BY MR. NOLAN:

16 Q DID YOU ASK NETLOGIC WHETHER OR NOT THEY GAVE
17 DATA SHEETS TO PEOPLE, CUSTOMERS WITHOUT NDA'S?

18 MR. PARRELLA: YOUR HONOR, I'M GOING TO
19 OBJECT. IF IT'S NOT REFERENCING THE 5512 OR THE
20 GLC, THEN IT'S IRRELEVANT.

21 THE COURT: THE OBJECTION IS OVERRULED.

22 YOU CAN ASK THE QUESTION AS TO WHETHER
23 YOU ASKED THAT QUESTION. THAT'S THE ONLY QUESTION
24 BEFORE YOU, DID YOU MAKE THAT INQUIRY?

25 THE WITNESS: I CAN'T GIVE YOU A YES OR

1 NO ANSWER, BUT WHAT I DO RECALL IS THAT --

2 BY MR. NOLAN:

3 Q OKAY. SO YOU DON'T REMEMBER; IS THAT RIGHT?

4 A I DON'T REMEMBER IF I ASKED THAT EXACT
5 QUESTION.

6 Q OKAY. DID YOU ASK FOR NETLOGIC'S WRITTEN
7 POLICIES ON HOW THEY HANDLED NDA'S?

8 A NO, I DID NOT.

9 Q AND YOU KNEW THAT THERE WAS A WRITTEN POLICY
10 AS TO HOW THEY HANDLED NDA'S; CORRECT?

11 A I SUSPECTED THAT THERE WOULD BE A POLICY, YES.

12 Q UH-HUH. AND YOU NEVER CHOSE TO LOOK AT THAT
13 POLICY TO SEE HOW THEY IDENTIFIED DATA SHEETS IN
14 TERMS OF THEIR PROTECTION STRUCTURE AT THEIR FIRM;
15 CORRECT?

16 A NO, I DID NOT VIEW THAT DOCUMENT.

17 Q NO, BUT DID YOU -- AND YOU DIDN'T CARE TO VIEW
18 IT; CORRECT?

19 A I DIDN'T CARE TO VIEW IT?

20 Q YOU DIDN'T TAKE THE CARE OR THE TIME TO ASK
21 FOR IT?

22 A I DIDN'T FIND IT TO BE RELEVANT AT THE TIME.

23 Q ALL RIGHT. ISN'T IT TRUE THAT HOW A COMPANY
24 PROTECTS THEIR INFORMATION IS HELPFUL TO DETERMINE
25 WHETHER OR NOT IT SHOULD BE GIVEN CONFIDENTIAL

1 PROTECTION, PROPRIETARY PROTECTION, OR TRADE SECRET
2 PROTECTION?

3 A THESE TERMS ARE -- LIKE I SAID, YOU CAN PUT
4 ANY WORD UP THERE AND IT DOESN'T MATTER IF THEY
5 PROVIDED THE PROTECTIONS FOR THE PRODUCT. SO --

6 Q IN THE CRIMINAL CONTEXT, THOUGH, THE PERSON
7 WHO LOOKS AT THE DOCUMENT OR SEES THE DOCUMENT HAS
8 TO KNOW WHETHER OR NOT IT'S A TRADE SECRET OR
9 BELIEVE IT'S A TRADE SECRET.

10 I MEAN, IS IT YOUR BELIEF --

11 MR. PARRELLA: I'M GOING TO OBJECT.

12 THE COURT: SUSTAINED. COUNSEL IS
13 TESTIFYING.

14 YOU SHOULDN'T DO THAT, COUNSEL. YOU
15 SHOULD TRY TO PUT A QUESTION.

16 MR. NOLAN: I'LL TRY TO PUT A QUESTION.

17 Q IN THE COURSE OF YOUR INVESTIGATION, IS IT
18 RELEVANT WHETHER OR NOT THE INDIVIDUAL THAT YOU
19 SUSPECT IS PUT ON NOTICE AS TO WHETHER OR NOT
20 SOMETHING IS A TRADE SECRET?

21 A YEAH, THEY NEED TO KNOW WHETHER IT'S A TRADE
22 SECRET.

23 Q AND ISN'T IT TRUE, THEREFORE, THAT THE WORDS
24 THAT ARE USED ARE RELEVANT TO A DETERMINATION AS TO
25 WHETHER OR NOT THEY KNOW?

1 A THERE HAS TO BE AN UNDERSTANDING.

2 Q SO THESE WORDS ARE IMPORTANT? IN YOUR OPINION
3 NOW, WOULD YOU CHANGE YOUR OPINION AND SAY, YES, IN
4 SOME WAY THEY ARE IMPORTANT IN THE COURSE OF YOUR
5 INVESTIGATION?

6 A THESE WORDS ARE NOT IMPORTANT TO ME BECAUSE I
7 DON'T KNOW WHAT NETLOGIC USES AS SPECIFIC
8 DOCUMENTATION IN THEIR EMPLOYMENT AGREEMENT AND ON
9 THEIR DOCUMENTS.

10 Q RIGHT.

11 A SO THESE MAY APPLY. I DON'T KNOW IF THESE ARE
12 THE ONES THAT THEY USE.

13 Q SO AS YOU'RE TRYING TO -- IN THE COURSE OF
14 YOUR INVESTIGATION, IF YOU'RE TRYING TO ASSESS
15 WHETHER OR NOT THERE'S A FEDERAL CRIME, YOU HAVE TO
16 BE ABLE TO DETERMINE WHETHER THE INFORMATION IS
17 CONFIDENTIAL, PROPRIETARY, OR TRADE SECRET;
18 CORRECT?

19 A I HAVE --

20 Q IS THAT CORRECT OR NOT?

21 A THOSE TERMS --

22 Q I DIDN'T ASK ABOUT THOSE TERMS. IS IT CORRECT
23 OR NOT?

24 A IT'S NOT CORRECT.

25 Q SO IN THE COURSE OF YOUR INVESTIGATION YOU

1 DON'T HAVE TO MAKE ANY DETERMINATION LIKE THAT; IS
2 THAT CORRECT?

3 A I --

4 MR. PARRELLA: OBJECTION, YOUR HONOR.

5 MR. NOLAN: HE'S NOT ANSWERING THE
6 QUESTION.

7 THE COURT: WELL, NO, HE DID.

8 YOU ASKED THE TERMS AND THEN HE STATED IT
9 AND --

10 MR. NOLAN: WELL, THEN, I APOLOGIZE.

11 THE COURT: THEN YOU HAVE TO REASK THE
12 QUESTION.

13 BY MR. NOLAN:

14 Q ALL RIGHT. PRIOR TO YOUR TESTIFYING HERE
15 TODAY, WERE YOU TOLD ABOUT THE TERMS THAT I HAD ON
16 A BOARD? BEFORE YOU TESTIFIED HERE TODAY, WERE YOU
17 TOLD BY ANYBODY ABOUT THOSE WORDS THAT I HAD PUT ON
18 A BOARD?

19 A ABSOLUTELY NOT.

20 Q ALL RIGHT. HAD YOU DISCUSSED THOSE TERMS WITH
21 ANYBODY?

22 A NEVER.

23 Q ALL RIGHT. AND TO YOUR -- WHAT TERM IN YOUR
24 OPINION IS RELEVANT TO BE PLACED ON A DOCUMENT TO
25 GIVE SOMEONE NOTICE THAT IT'S A TRADE SECRET?

1 A THE TERM IS IRRELEVANT. IT'S THE --

2 Q SO THERE'S NO TERM RELEVANT?

3 A MY UNDERSTANDING IS THAT YOU HAVE TO HAVE A
4 COMMON UNDERSTANDING BETWEEN THE EMPLOYEE AND THE
5 EMPLOYER, THAT THEY KNOW THAT IF THE WORD IS BLUE,
6 BLUE MEANS IT'S CONFIDENTIAL INFORMATION AND YOU
7 SIGN THIS UNDER YOUR EMPLOYMENT AGREEMENT, THEN
8 WE'RE COVERED.

9 TRADE SECRET OR PROPRIETARY INFORMATION
10 OR CONFIDENTIAL INFORMATION, I CAN THINK OF THREE
11 OTHERS I HAVE SEEN.

12 IT'S THE MANNER IN WHICH IT IS PROTECTED.

13 Q WELL, IT'S THE RELATIONSHIP THAT THE EMPLOYER
14 HAS TO THE EMPLOYEE, ISN'T THAT CORRECT, THAT YOU
15 JUST SAID?

16 A IT'S THE UNDERSTANDING.

17 Q THE UNDERSTANDING?

18 A THE COMMUNICATION OF THE TERM BETWEEN THE
19 EMPLOYER AND THE EMPLOYEE.

20 Q AND THE UNDERSTANDING OF THE TERM COMES FROM
21 CUSTOM AND HABIT, DOES IT NOT?

22 A IT COMES FROM --

23 Q DOES IT COME FROM CUSTOM AND HABIT?

24 A I DON'T KNOW WHAT THAT TERM MEANS TO BE HONEST
25 WITH YOU.

1 Q DOES IT COME FROM WRITTEN DOCUMENTS?

2 A YES.

3 Q AND DOES IT COME FROM TRAINING?

4 A YES, IT SHOULD COME FROM TRAINING.

5 Q DOES IT COME FROM HOW THE DOCUMENTS ARE
6 TREATED?

7 A ABSOLUTELY.

8 Q DOES IT COME FROM HOW THE DOCUMENTS ARE
9 MARKED?

10 A YES.

11 Q DOES IT COME FROM HOW THE DOCUMENTS ARE
12 PROTECTED?

13 A YES.

14 Q AND DOES IT -- IT COMES FROM HOW THE PEOPLE
15 UNDERSTAND WHO ARE WORKING WITH THE DOCUMENTS, WHAT
16 THEY UNDERSTAND SOMETHING TO BE A TRADE SECRET?

17 A ABSOLUTELY. ABSOLUTELY.

18 Q FOR EXAMPLE, DO YOU BELIEVE THAT IF AN
19 AGREEMENT SAYS THAT THE COMPANY IS ENTITLED TO ALL
20 OF THE KNOW-HOW OF AN EMPLOYEE, THAT THEREFORE, THE
21 EMPLOYER UNDERSTANDS THAT ANY KNOW-HOW IS A TRADE
22 SECRET OF THE COMPANY?

23 MR. PARRELLA: OBJECTION. THIS IS
24 ASKING --

25 THE COURT: SUSTAINED.

1 BY MR. NOLAN:

2 Q YOU'VE SEEN THE INVENTION DISCLOSURE
3 AGREEMENT?

4 A THE WHAT?

5 Q YOU'VE SEEN THE INVENTION DISCLOSURE AGREEMENT
6 IN THIS CASE?

7 A AT SOME POINT. I NEED TO REFRESH MY
8 RECOLLECTION TO KNOW THAT WE'RE TALKING ABOUT THE
9 SAME THING.

10 Q WHAT IN THE INVENTION DISCLOSURE AGREEMENT
11 SUPPORTS THE PROPOSITION THAT A DATA SHEET IS A
12 TRADE SECRET?

13 A I'D HAVE TO LOOK AT THE DOCUMENT TO CLARIFY
14 THAT. I DON'T KNOW OFF THE TOP OF MY HEAD.

15 Q YOU STARTED AS AN AGENT WHEN, SIR?

16 A 2003, FEBRUARY 10TH. WELL, OCTOBER 6TH, 2002
17 WAS MY ENTRY ON DUTY DATE.

18 Q AND THEN YOU WERE AN AGENT STARTING FEBRUARY
19 2003?

20 A YES, THAT'S CORRECT.

21 Q AND YOUR FIRST ASSIGNMENT WAS PALO ALTO?

22 A THAT'S CORRECT.

23 Q AND YOU WERE GIVEN THESE DOCUMENTS THAT SHOWED
24 THAT PHONE CALLS WERE MADE?

25 A CORRECT.

1 Q AND, NOW, THOSE DOCUMENTS, WERE THEY -- WERE
2 THERE ANY TAPES OF ANY PHONE CALLS?

3 A NO.

4 Q WERE THERE ANY RECORDINGS OF ANY PHONE CALLS
5 THAT YOU WERE AWARE OF?

6 A NO.

7 Q HAD ANYTHING BEEN DONE PRIOR TO YOUR GETTING
8 AND LOOKING AT THESE E-MAILS -- I'M SORRY -- THESE
9 RECORDS OF THE PHONE CALLS?

10 A WHAT DO YOU MEAN, "LOOKING AT THE RECORDS"?

11 Q HAD ANYBODY BEEN LOOKING AT THE CASE BEFORE
12 YOU GOT IT?

13 A YES, SOMEBODY -- BECAUSE OF THE NATURE OF
14 THERE BEING COMPLAINTS ON TWO DIFFERENT DAYS, IT
15 SURFACED IN OUR OFFICE AND EVENTUALLY MADE ITS WAY
16 TO ME, BOTH OF THEM. BUT SOMEBODY HAD STARTED
17 LOOKING AT IT AS WELL.

18 Q AND WHAT DID YOU DO, SAY IN THE MONTH OF
19 MARCH, IF ANYTHING, IN THE COURSE OF YOUR
20 INVESTIGATION?

21 A I ASSUME I WOULD HAVE DONE --

22 Q NO, WHAT YOU REMEMBER?

23 A WELL, I DON'T REMEMBER DISTINCTLY WHAT I DID
24 IN MARCH OF 2003.

25 BUT IN THE COURSE OF THE INVESTIGATION I

1 WOULD TYPICALLY DO BASIC BACKGROUND INVESTIGATION,
2 DMV REPORTS, IDENTIFIED IF THIS PERSON ACTUALLY
3 EXISTS.

4 Q WHAT I'M ASKING ABOUT IS IN THIS PARTICULAR
5 CASE, WHAT DO YOU REMEMBER DOING?

6 A I WOULD HAVE TO REFER TO MY CASE FILE TO TELL
7 YOU WHAT I DID IN MARCH OF 2003.

8 Q AND DID YOU BRING YOUR CASE FILE?

9 A I DO NOT HAVE MY CASE FILE WITH ME.

10 Q AND WHERE IS YOUR CASE FILE?

11 A IT WOULD BE HOUSED IN THE OFFICE.

12 Q AND WHERE IS THE OFFICE?

13 A IN THE PALO ALTO RESIDENT AGENCY.

14 Q AND DID YOU DO ANY INVESTIGATION OF LAN LEE?

15 A YES.

16 Q AND WHAT DID YOU INVESTIGATE BEGINNING MARCH,
17 APRIL 2002 -- 2003, EXCUSE ME?

18 A 2003? I WOULD HAVE DONE --

19 Q NOT WHAT YOU WOULD HAVE. WHAT DO YOU REMEMBER
20 DOING?

21 A I REMEMBER CONDUCTING DATABASE SEARCHES AND
22 PUBLIC SOURCE AND F.B.I. SEARCHES.

23 Q AND TO IDENTIFY WHAT?

24 A TO IDENTIFY THAT HE EXISTED, THAT THIS WAS NOT
25 JUST AN ANONYMOUS COMPLAINT AND THAT SOMEBODY DID

1 NOT EXIST.

2 Q AND WHAT DID YOU, IN FACT, FIND OUT?

3 A THAT HE, IN FACT, EXISTED, AND I IDENTIFIED
4 HIS ADDRESS, VEHICLE INFORMATION, CRIMINAL HISTORY.

5 Q UH-HUH. YOU FOUND NONE BY THE WAY; RIGHT?

6 A REGARDING?

7 Q CRIMINAL HISTORY?

8 A NO CRIMINAL HISTORY.

9 Q YOU FOUND THAT HE LIVED IN PALO ALTO?

10 A YES.

11 Q AND HE LIVED THERE FOR SOME TIME?

12 A YEAH, I FOUND THAT HE LIVED IN PALO ALTO. I
13 FOUND THAT HE REGISTERED VEHICLES TO HIS NAME.

14 Q YOU FOUND THAT HE WORKED AT SUN MICROSYSTEMS?

15 A I BELIEVE THAT I IDENTIFIED THAT THROUGH
16 NETLOGIC INTERVIEWS.

17 Q DID YOU PULL UP ANY OF HIS RECORDS IN TERMS OF
18 PHONE RECORDS OR E-MAIL RECORDS OR THINGS LIKE
19 THAT?

20 A I DON'T RECALL INITIALLY IF -- NO, I BELIEVE
21 WE DID NOT DO ANY SORT OF NATIONAL SECURITY LETTER
22 OR SUBPOENA TYPE INFORMATION INITIALLY, NOT AT THAT
23 TIME PERIOD.

24 Q DID YOU MAKE ANY EFFORTS TO IDENTIFY THE
25 CALLER ON THE ANONYMOUS CALLERS?

1 A YEAH, I WITH WENT TO GREAT LENGTHS TO IDENTIFY
2 THAT CALL.

3 Q AND WHEN YOU SAY GREAT LENGTHS, YOU WERE
4 TALKING ABOUT -- THE F.B.I. WAS TAKING THIS
5 SERIOUSLY; CORRECT?

6 A YES.

7 Q AND YOU WERE WORKING COUNTER INTELLIGENCE;
8 CORRECT?

9 A YEAH, WE TOOK --

10 Q YOU WERE WORKING COUNTER INTELLIGENCE?

11 A YES.

12 Q AND YOU BELIEVED YOU HAD SOMEBODY WHO PROBABLY
13 WAS INSIDE OF AN OPERATION THAT WAS GOING TO
14 BENEFIT A FOREIGN POWER; RIGHT?

15 A POSSIBLY.

16 Q UH-HUH. AND SO CAN YOU TELL US, BEFORE YOU
17 MET WITH NETLOGIC, WHAT EFFORTS YOU MADE TO TRY TO
18 LOCATE THE ANONYMOUS CALLER?

19 A IF I COULD JUST CLARIFY. I MET WITH NETLOGIC
20 ON TWO OCCASIONS, JUNE 4TH AND JUNE 11TH. BEFORE
21 WHICH TIME, THE FIRST TIME OR THE SECOND TIME?

22 Q BEFORE THE SEPTEMBER E-MAIL, THE FIRST TIME?

23 A YOU WANT TO KNOW WHAT EFFORTS I MADE TO --

24 Q -- IDENTIFY THE CALLER?

25 A SO I WAS IN PALO ALTO AT THE TIME, AND I

1 CONTACTED THE SACRAMENTO OFFICE WHERE THESE CALLS
2 ORIGINATED, I BELIEVE ON JANUARY 6TH AND JANUARY
3 7TH RESPECTIVELY, AND DETERMINED IF THEY HAD ANY
4 SORT OF TRACKING SYSTEM ON THE PHONE OR ANY WAY TO
5 IDENTIFY CALLS THAT HAD COME IN ON THOSE DAYS.

6 INITIALLY BEFORE THAT, I EVEN SPOKE WITH
7 THE PERSON WHO TOOK THE COMPLAINT CALL, WHO I
8 BELIEVE WAS RACHEL PIFER AND CATHERINE LUX TO FIND
9 OUT IF THEY REMEMBERED ANYTHING ABOUT THE PERSON,
10 THE PHONE NUMBER, ANY OTHER DETAILS THAT WOULD HELP
11 ME IDENTIFY WHERE THAT CALL CAME FROM.

12 Q NOW, AT SOME POINT YOU DECIDED TO CONTACT
13 NETLOGIC; CORRECT?

14 A YES.

15 Q AND ISN'T IT TRUE THAT YOU CALLED NETLOGIC AND
16 TALKED TO SOMEONE ON THE 28TH OF MAY?

17 A THAT COULD BE, YEAH. I DON'T HAVE ANY NOTES
18 TO REFLECT THAT. I DON'T INDICATE A LOG FOR EVERY
19 SINGLE PHONE CALL I MADE.

20 Q DID YOU TALK TO A MR. CORTES?

21 A THAT SOUNDS CORRECT. I PROBABLY DID IN
22 ESTABLISHING THE INTERVIEW FOR JUNE 4TH.

23 Q WELL, DID YOU CALL HIM MORE THAN ONCE BEFORE
24 THE INTERVIEW ON JUNE 4TH?

25 A I COULD HAVE.

1 Q AND WHAT DID YOU TELL MR. CORTES WHEN YOU
2 CALLED HIM EITHER ON JUNE 28TH AND/OR JUNE 30TH?

3 A I SOUGHT TO SET UP AN INTERVIEW AND I MAY HAVE
4 TOLD HIM IT RELATED TO A NATIONAL SECURITY OR THEFT
5 OF TRADE SECRETS RELATING MATTER.

6 Q AND DIDN'T YOU SAY SOMETHING ABOUT A FOREIGN
7 POWER WAS POSSIBLY -- THAT THEY MAY HAVE BEEN --
8 THEY MAY BE THE TARGET OF I.P. THEFT BY A FOREIGN
9 POWER?

10 A YEAH, THAT SOUNDS ABOUT RIGHT.

11 Q OKAY. AND THEY WANTED TO -- YOU TOLD THEM
12 THAT YOU WANTED TO MEET WITH THEM; CORRECT?

13 A THAT'S CORRECT.

14 Q AND YOU WANTED TO MEET WITH THEM THE FOLLOWING
15 WEEK; CORRECT?

16 A I DON'T REMEMBER THE SPECIFICS OF THE PHONE
17 CALL.

18 Q AND DID YOU TELL THEM WHO YOU WANTED TO BE AT
19 THE MEETING?

20 A I DON'T RECALL THAT SPECIFIC DETAIL.

21 Q AND WHEN YOU ARRIVED AT THE MEETING ON
22 JUNE 4TH, YOU WENT TO A LAW OFFICE; CORRECT?

23 A THAT'S CORRECT.

24 Q AND AT THE LAW OFFICE, WHO WAS PRESENT AT THE
25 LAW OFFICE?

1 A YOU'RE TALKING ABOUT THE JUNE 4TH INTERVIEW?

2 Q YES.

3 A I NEED TO REFRESH MY RECOLLECTION BY LOOKING
4 AT MY NOTES.

5 RON JANKOV, PRESIDENT AND CEO; ROLAND
6 CORTES, DIRECT OF LEGAL AFFAIRS AT THE TIME; LON
7 ALLEN, LON ALLEN, WHO WAS A MEMBER OF THE BOARD OF
8 DIRECTORS; MYSELF; I BELIEVE SPECIAL AGENT GREG
9 CASEY FROM MY OFFICE WAS PRESENT.

10 Q SO BASICALLY THEY HAD THE PRESIDENT, CEO,
11 MEMBER OF THE BOARD, THEIR OUTSIDE LAWYERS, THE
12 SENIOR DIRECTOR OF LEGAL AFFAIRS, AND THEY ALSO
13 HAD -- WAS THAT ABOUT IT?

14 A YEAH.

15 Q AND YOU TOLD THEM THAT YOU WERE INVESTIGATING
16 AN EMPLOYEE BY THE NAME OF LAN LEE?

17 A YEAH, EVENTUALLY WE DISCUSSED LAN LEE.

18 Q I'M SORRY. YOU TOLD THEM THAT YOU WERE
19 INVESTIGATING SOMEBODY BY THE NAME OF LAN LEE?

20 A YES, EVENTUALLY WE DISCUSSED THAT NAME.

21 Q WELL, YOU TOLD THEM THAT YOU WERE CONDUCTING
22 AN INVESTIGATION INTO POSSIBLE ESPIONAGE OF
23 INTELLECTUAL PROPERTY; CORRECT?

24 A ESPIONAGE OF INTELLECTUAL PROPERTY WOULD NOT
25 HAVE BEEN HOW I WOULD HAVE PHRASED IT, NO.

1 Q OKAY. YOU WERE A THEFT OF TRADE SECRETS?

2 A THAT SOUNDS ABOUT RIGHT.

3 Q AND YOU SAY THAT THE COMPANY TOLD YOU ABOUT
4 HOW GREAT THEY WERE; CORRECT?

5 A THEY EXPLAINED THEIR BUSINESS MODEL, YES, AND
6 THEIR PRODUCT LINE.

7 Q AND THEY TOLD YOU THEY HAD 75 EMPLOYEES, 50
8 ENGINEERS, THEY STARTED IN 1995, THAT THEY
9 POSSESSED 20 PATENTS -- 20 PATENT LICENSES, HAD 130
10 PATENTS AND THEY TALKED ABOUT MR. JANKOV AND ALL OF
11 THE THINGS HE HAD DONE, WHERE HE HAD WORKED AND
12 THINGS LIKE THAT?

13 A YEAH, THAT'S CORRECT.

14 Q AND THEY TOLD YOU THAT THEY SOLD PRODUCTS IN
15 CHINA; CORRECT?

16 A THAT'S CORRECT.

17 Q THEY SAID THAT THEY WEREN'T DUAL USE; CORRECT?
18 ISN'T THAT RIGHT THAT THEY SAID THAT?

19 A WELL, THEY SAID THAT THEY WERE DUAL USE, BUT
20 ALSO THAT THEY DID NOT ALWAYS KNOW WHAT THEIR END
21 USE WAS.

22 Q DID THEY TELL YOU AT THAT TIME THAT THEIR
23 NUMBER 2, THEIR SECOND MOST VALUABLE CUSTOMER WAS A
24 CHINESE OWNED -- CHINESE OWNED GOVERNMENT COMPANY?

25 A I DON'T RECALL EVERY COMPANY. WE SPOKE OF

1 SEVERAL COMPANIES. I SEE HERE CISCO -- WELL, YES,
2 THAT WOULD BE ACCURATE.

3 Q I'M SORRY. OKAY. AND YOU TOLD THEM THAT YOU
4 WANTED TO GET BACK TO THEM -- OH, THEY ALSO TOLD
5 YOU ABOUT MR. LEE; CORRECT?

6 A THEY CONFIRMED THAT I WAS --

7 Q THEY TOLD YOU ABOUT MR. LEE; CORRECT?

8 A THAT IS INCORRECT.

9 MR. PARRELLA: OBJECTION, OBJECTION. THE
10 WITNESS IS TRYING TO ANSWER THE QUESTION.

11 MR. NOLAN: ALL RIGHT.

12 MR. PARRELLA: AND HE'S BEING SUCCINCT
13 ABOUT IT.

14 THE COURT: WELL, ON CROSS-EXAMINATION,
15 HE'S ENTITLED TO ASK YOU QUESTIONS THAT CALL FOR A
16 YES OR NO ANSWER, AND SO YOU SHOULD, AS A WITNESS,
17 IF YOU CAN ANSWER IT YES OR NO, ANSWER IT YES OR
18 NO.

19 AS TO -- SOMETIMES QUESTIONS ARE
20 CHARACTERIZED IN A WAY THAT YOU CAN'T ANSWER IT YES
21 OR NO OR YOU DON'T KNOW THE ANSWER TO IT AND YOU
22 CAN ANSWER AS TO THAT.

23 THE WITNESS: I SEE.

24 THE COURT: BUT LISTEN TO THE QUESTION.

25 AND YOU MAY MAKE OBJECTIONS IF THE FORM

1 OF THE QUESTION IS IMPROPER.

2 BUT IT'S APPROPRIATE FOR COUNSEL TO ASK
3 WHETHER YOU HAD CONVERSATIONS ABOUT A PERSON, AND
4 THAT IS A FOUNDATIONAL QUESTION THAT CALLS FOR A
5 YES OR NO ANSWER.

6 PROCEED.

7 BY MR. NOLAN:

8 Q THEY TOLD YOU ABOUT MR. LEE; CORRECT?

9 A YES.

10 Q AND THEY TOLD YOU THAT HE POSSESSED THE
11 HIGHEST LEVEL OF ACCESS TO NETLOGIC'S PROPRIETARY
12 INFORMATION; CORRECT?

13 A WOULD YOU MIND IF I REFER TO MY NOTES?

14 Q PLEASE DO.

15 A I DON'T WANT TO CONFUSE THIS INTERVIEW WITH
16 THE SECOND.

17 Q NO. THAT'S FINE. PAGE 2, THIRD FULL
18 PARAGRAPH.

19 (PAUSE IN PROCEEDINGS.)

20 THE WITNESS: YEAH, THEY IDENTIFIED HIM
21 AS WORKING IN A KEY DESIGN POSITION.

22 BY MR. NOLAN:

23 Q I'M SORRY. THEY TOLD YOU THAT HE POSSESSED
24 THE HIGHEST LEVEL OF ACCESS TO NETLOGIC'S
25 PROPRIETARY INFORMATION; CORRECT?

1 A I'M NOT SEEING THAT SENTENCE.

2 Q THIRD PULL PARAGRAPH, PAGE 2, STARTING WITH
3 JANKOV. DO YOU WANT TO TAKE A LOOK AT THE REPORT
4 OF 10-20?

5 A I'M LOOKING AT --

6 Q YOU'RE LOOKING AT THE ORIGINAL, I THINK?

7 A OH, YEAH. DO YOU HAVE THE DOCUMENTS?

8 MR. NOLAN: MAY I APPROACH?

9 THE WITNESS: THIS IS THE SUMMARY. I'M
10 SORRY. PAGE 2.

11 (PAUSE IN PROCEEDINGS.)

12 THE WITNESS: I HAVE IT RIGHT HERE.

13 BY MR. NOLAN:

14 Q AM I CORRECT?

15 A I DON'T SEE WHERE YOU'RE SAYING.

16 Q (INDICATING.)

17 A YES.

18 Q THANK YOU.

19 HE WAS THE LEAD DESIGN ENGINEER ON THEIR
20 NEWEST BREAKTHROUGH CHIP; CORRECT?

21 A CORRECT.

22 Q HE WAS THE SECOND MOST SENIOR DESIGNER AT
23 NETLOGIC?

24 A YES.

25 Q AND THEY SAID HE TRAVELLED TO CHINA OFTEN;

1 CORRECT?

2 A YES.

3 Q AND THEY EXPRESSED CONCERN BECAUSE HE HAD THE
4 POTENTIAL TO INFLICT SERIOUS HARM TO THE
5 CORPORATION; CORRECT?

6 A THAT SOUNDS CORRECT, YES.

7 Q NOW, AS A RESULT OF THAT MEETING, YOU CHECKED
8 SUN? YOU WENT TO SUN TO FIND OUT ABOUT MR. LEE;
9 CORRECT?

10 A CORRECT.

11 Q A CORPORATION SUN?

12 A SUN MICROSYSTEMS.

13 Q AND THEN YOU CAME BACK TO TALK TO NETLOGIC
14 PEOPLE ON THE 11TH OF JUNE, ONE WEEK LATER;
15 CORRECT?

16 A CORRECT.

17 Q AND AT THAT TIME THEY HAD MOSTLY THE SAME
18 PEOPLE. THEY HAD JANKOV; RIGHT?

19 A YES.

20 Q AND THEY HAD CORTES, THE GENERAL COUNSEL?

21 A CORRECT.

22 Q AND THEY HAD THEIR OUTSIDE LAWYERS FROM
23 GIBSON, DUNN; CORRECT?

24 A THAT'S CORRECT.

25 Q AND THEY HAD MR. SRINIVASAN, WAS HE THERE?

1 A SRINIVASAN.

2 Q SRINIVASAN. WAS HE THERE?

3 A YES, HE WAS.

4 Q AND A COUPLE OF UNUSUAL THINGS HAPPENED,
5 DIDN'T IT?

6 A COULD YOU CATEGORIZE "UNUSUAL"?

7 Q IN YOUR OPINION, DID ANYTHING UNUSUAL HAPPEN
8 AT THAT MEETING?

9 A NO.

10 Q OKAY. THEY TOLD YOU THAT THEY DIDN'T TELL YOU
11 THE TRUTH AT THE PREVIOUS MEETING; ISN'T THAT
12 RIGHT?

13 A SOMETHING TO THAT EFFECT.

14 Q AND THAT'S NOT UNUSUAL?

15 A NO, IT DIDN'T STRIKE ME AS UNUSUAL.

16 Q I SEE. SO THEY DIDN'T TELL YOU AT THE FIRST
17 MEETING THAT THEY HAD GOTTEN ANY E-MAILS FROM
18 ANYBODY; CORRECT?

19 A NO, THEY DIDN'T.

20 Q THEY DIDN'T TELL YOU THAT THEY WERE CONDUCTING
21 THEIR OWN INVESTIGATION INTO POSSIBLE
22 MISAPPROPRIATION OF INTELLECTUAL PROPERTY; CORRECT?

23 A NO, THEY DIDN'T.

24 Q THEY DIDN'T TELL YOU THAT THEY HAD HAD
25 NEGOTIATIONS WITH THIS UNKNOWN PERSON WHO HAD SENT

1 THESE E-MAILS; CORRECT?

2 A NO.

3 Q THEY DIDN'T TELL YOU OR EVEN HINT THAT THEY
4 HAD ANY IDEA WHAT YOU WERE TALKING ABOUT IN THE
5 COURSE OF YOUR INVESTIGATION; CORRECT?

6 A NO, NOTHING WAS ARTICULATED IN THE JUNE 4TH
7 INTERVIEW ABOUT THEIR INTERNAL INVESTIGATION.

8 Q UH-HUH. AND YOU DIDN'T CONSIDER THAT TO BE
9 UNUSUAL?

10 A NO.

11 Q OKAY. YOU DIDN'T EXPECT THAT IF THE F.B.I.
12 CAME TO A COMPANY SAYING THAT "WE HAVE REASON TO
13 BELIEVE THAT SOMEONE IS TRYING TO STEAL YOUR
14 INTELLECTUAL PROPERTY," AND THEY HAVE BEEN GETTING
15 E-MAILS SAYING "SOMEBODY IS TRYING TO STEAL YOUR
16 INTELLECTUAL PROPERTY AND TAKE IT SOMEWHERE ELSE,"
17 AND THEY DON'T TELL YOU ABOUT THAT, THAT IN YOUR
18 OPINION, THAT'S NOT UNUSUAL; CORRECT?

19 A NOT IN THE SILICON VALLEY.

20 Q WHY IS IT NOT UNUSUAL IN SILICON VALLEY?

21 A BECAUSE COMPANIES DEAL WITH THEFT OF TRADE
22 SECRETS AND INTERNAL PROBLEMS IN DIFFERENT WAYS,
23 AND THEY'RE NOT ALWAYS COOPERATIVE WITH THE F.B.I.

24 Q IT KIND OF MISLED YOU THOUGH, DIDN'T IT?

25 A I DIDN'T PERCEIVE IT THAT WAY.

1 Q SO YOU WEREN'T BOTHERED BY IT?

2 A NO, I WASN'T.

3 Q IT DIDN'T MAKE YOU WONDER, AM I TO TRUST THEM
4 WHEN THEY SAY SOMETHING IS A FEDERAL CRIME THAT'S
5 BEING COMMITTED BECAUSE THIS PIECE OF PROPERTY IS
6 SO VALUABLE, THAT MAYBE YOU SHOULD LOOK MORE
7 CAREFULLY AND SEE IF MAYBE THEY'RE PLAYING SILICON
8 VALLEY WITH YOU?

9 A WE HADN'T IDENTIFIED THAT A FEDERAL CRIME HAD
10 BEEN COMMITTED AT THAT POINT.

11 Q BUT YOUR IDENTIFICATION -- STRIKE IT. WRONG
12 WAY TO ASK.

13 THE FEDERAL CRIME WOULD BE IF SOME
14 DOCUMENT WERE A TRADE SECRET; CORRECT?

15 A AT THAT POINT A FEDERAL CRIME HAD NOT BEEN
16 COMMITTED.

17 Q BECAUSE THERE HAD BEEN NO IDENTIFICATION OF
18 ANY THEFT OF A TRADE SECRET; CORRECT?

19 A THAT'S CORRECT. WE HAD NOT IMAGED THEIR
20 COMPUTERS. I HADN'T LOOKED AT ANY EVIDENCE.

21 Q RIGHT. AND THEY TALKED TO YOU ABOUT THE
22 IMPORTANT THINGS THAT THEY WERE WORRIED ABOUT;
23 RIGHT? THEY TALKED TO YOU ABOUT THOSE AT THOSE
24 MEETINGS, DIDN'T THEY?

25 A YEAH, I DO REMEMBER TALKING ABOUT MOST OF

1 THOSE.

2 Q YEAH. AND YOU WROTE IT DOWN. THEY TALKED
3 ABOUT FABRICATION DATA AND LAYOUT; CORRECT?

4 A CORRECT.

5 Q AND THEY TALKED ABOUT NETLIST?

6 A I VAGUELY REMEMBER THAT, YEAH.

7 Q AND DO YOU KNOW WHAT THESE ARE?

8 A I KNOW BASICALLY WHAT FABRICATION IS AND WHAT
9 THE ARCHITECTURAL SPECIFICATIONS ARE, BUT AS A
10 LAYMAN. I'M NOT AN ENGINEER.

11 Q AND THESE WERE SPECIFIC THINGS THAT THEY
12 TALKED ABOUT WITH YOU OF THINGS THAT THEY WERE
13 CONCERNED ABOUT IN THESE INTERVIEWS; CORRECT?

14 A CORRECT.

15 Q AND DID YOU ASK THEM HOW THEY PROTECTED THESE
16 PIECES OF INFORMATION?

17 A AT VARIOUS POINTS IN THE INTERVIEW,
18 ABSOLUTELY.

19 Q AND THEY TOLD YOU, FOR EXAMPLE, IT NEVER GOES
20 OUTSIDE OF THE COMPANY; CORRECT?

21 A FABRICATION DATA?

22 Q FABRICATION DATA/LAYOUT INFORMATION NEVER GOES
23 OUT OF THE COMPANY PREMISES?

24 A WE NEVER DISCUSSED FABRICATION DATA/LAYOUT.

25 Q AND WHAT ABOUT NETLIST?

1 A SOME COULD AND SOME COULDN'T, DEPENDING UPON
2 THE PROPRIETARY NATURE OF THEM.

3 Q AND SO THEY TOLD YOU, OH, NETLISTS, THEY GO
4 OUT AT SOME TIMES AND OTHER TIMES THEY DON'T; IS
5 THAT RIGHT?

6 A NO, I DIDN'T TAKE IT THAT WAY.

7 Q AND WHAT ABOUT SCHEMATICS?

8 A SCHEMATICS IS A VERY BROAD TERM. ALL OF THE
9 DATA SHEETS CONTAIN MANY DIFFERENT TERMS. SOME ARE
10 INTELLECTUAL PROPERTY AND SOME ARE NOT.

11 Q AND HOW DO YOU KNOW THAT? BASED ON WHAT THEY
12 TOLD YOU?

13 A BASED ON DOCUMENTS THAT ARE DEEMED
14 INTELLECTUAL PROPERTY.

15 Q BECAUSE SOMEONE SAID THEY ARE?

16 A BECAUSE AN OFFICIAL FROM NETLOGIC WITH AN
17 ENGINEERING BACKGROUND THAT DEVELOPED THESE DATA
18 SHEETS SPECIFICALLY PROVIDED THAT ASSESSMENT.

19 Q IN YOUR TRAINING, ARE YOU TRAINED TO MAKE A
20 DETERMINATION OR TO AT LEAST CONSIDER THAT SOMEONE
21 MAY HAVE A MOTIVE NOT TO BE COMPLETELY TRUTHFUL
22 WITH YOU?

23 A ABSOLUTELY.

24 Q ALL RIGHT. DID YOU THINK ABOUT WHAT THE
25 MOTIVE OF NETLOGIC MIGHT BE --

1 A ABSOLUTELY.

2 Q EXCUSE ME.

3 -- IN TRYING TO CHARACTERIZE SOMETHING AS
4 A TRADE SECRET?

5 A ABSOLUTELY.

6 Q AND YOU THOUGHT ABOUT THE MOTIVES THAT THEY
7 HAVE TO PREVENT PEOPLE FROM STARTING A COMPANY IN
8 COMPETITION?

9 A ABSOLUTELY.

10 Q AND THESE PEOPLE, MR. LEE AND MR. GE, WERE
11 GOING TO START A COMPANY IN COMPETITION; CORRECT?

12 A AT THAT POINT IT APPEARED THAT WAY, BUT WE
13 DIDN'T HAVE ENOUGH INFORMATION TO MAKE THAT
14 ULTIMATE ASSESSMENT.

15 Q RIGHT. AND YOU IDENTIFIED ALL OF THESE
16 DOCUMENTS IN CHINESE AND OTHERWISE, AND IF THERE
17 WAS NO TRADE SECRET INTENDED TO BE USED, IS THERE
18 ANYTHING ILLEGAL, IN YOUR OPINION, ABOUT ANY --
19 OKAY. I'M GETTING THE LOOK. I'LL HAVE TO REPHRASE
20 THE QUESTION.

21 MR. PARRELLA: OBJECTION.

22 BY MR. NOLAN:

23 Q YOU DON'T PERSONALLY HAVE SOME MORAL PROBLEM
24 WITH SOMEBODY COMPETING WITH THEIR EMPLOYER, DO
25 YOU?

1 A ABSOLUTELY NOT.

2 MR. PARRELLA: OBJECT TO THIS, YOUR
3 HONOR.

4 THE COURT: SUSTAINED.

5 BY MR. NOLAN:

6 Q SO YOU HAVE THIS MEETING NOW ON JUNE 11TH AND
7 YOU DECIDE TO ASK NETLOGIC TO TELL YOU WHAT THEY'RE
8 CONCERNED ABOUT IN REGARDS TO THEIR INTELLECTUAL
9 PROPERTY; CORRECT?

10 A YES.

11 Q AND INSTEAD OF CONDUCTING AN INTERVIEW, YOU
12 ALLOW THEM TO WRITE A LETTER; CORRECT?

13 A NO, I ASKED THEM TO WRITE A LETTER.

14 Q DO YOU KNOW WHETHER OR NOT THEIR OUTSIDE
15 LAWYERS WROTE IT OR WHETHER THEIR INSIDE LAWYERS
16 WROTE IT? DO YOU KNOW WHO WROTE IT?

17 A THE LETTER WAS SIGNED BY RON JANKOV, SO --

18 Q I UNDERSTAND. DO YOU KNOW WHO WROTE IT?

19 A I ASSUME RON JANKOV WROTE IT.

20 Q HAVE YOU EVER TALKED TO HIM ABOUT WHAT HE
21 KNOWS ABOUT THE COMPANY?

22 A YEAH, MANY TIMES.

23 Q AND HE KNOWS A GREAT DEAL ABOUT THE
24 OBLIGATIONS OF THE EMPLOYEES, DOESN'T HE?

25 A YES.

1 Q HE KNOWS WHAT IS IN THE NONDISCLOSURE
2 AGREEMENT, DOESN'T HE?

3 A I WOULD IMAGINE SO, YES.

4 Q HE UNDERSTANDS THE NONDISCLOSURE AGREEMENT,
5 DOESN'T HE?

6 THE COURT: COUNSEL, YOU CAN ASK WHETHER
7 HE TALKED ABOUT THOSE THINGS, BUT YOU CAN'T ASK
8 WHETHER HE UNDERSTANDS IT.

9 MR. NOLAN: I UNDERSTAND.

10 THE COURT: WELL, YOU NEED TO ASK IT IN A
11 PROPER FORM.

12 BY MR. NOLAN:

13 Q WHEN YOU TALKED TO MR. JANKOV, HE APPEARED TO
14 UNDERSTAND THOSE THINGS? I'M TALKING ABOUT YOUR
15 CONVERSATIONS WITH HIM.

16 A OUR CONVERSATIONS WITH MR. JANKOV WERE
17 LIMITED. HE WAS AT THE FIRST INTERVIEW, WHICH WAS
18 BRIEF; AND I THINK HE WAS AT THE SECOND INTERVIEW,
19 THE ONE WE'RE SPEAKING OF ON JUNE 11TH, FOR PART OF
20 THE INTERVIEW.

21 OTHER THAN THAT, MY CONTACT WITH
22 MR. JANKOV WAS NOT --

23 Q I'M SORRY. I THOUGHT A MINUTE AGO YOU TALKED
24 TO HIM OFTEN?

25 A AT THE BEGINNING OF THE INVESTIGATION, YES.

1 Q WAS I WRONG? SO YOU TALKED TO HIM TWICE?

2 A I CAN'T PUT A --

3 Q WELL, THERE WAS A MEETING ON JUNE 4TH AND
4 THERE WAS A MEETING ON JUNE 11TH?

5 A RIGHT.

6 Q DID YOU TALK TO HIM ANY OTHER TIMES?

7 A HE MAY HAVE STEPPED IN OTHER MEETINGS, I DON'T
8 REMEMBER. HE WAS IN NO SIGNIFICANT PORTION OF ANY
9 OF THE OTHER MEETINGS.

10 Q HE'S THE ONE THAT WROTE THE LETTER AS TO WHAT
11 WAS IMPORTANT; CORRECT?

12 A I ASKED HIM TO WRITE THE LETTER.

13 Q OKAY. DID YOU QUESTION HIM AFTER YOU GOT THE
14 LETTER?

15 A NO.

16 Q NOW, AFTER YOU FOUND OUT ABOUT THE JUNE --
17 JUNE 11TH NOW, YOU WERE GIVEN THE E-MAILS FROM THIS
18 ANONYMOUS SOURCE; CORRECT?

19 A THAT'S CORRECT.

20 Q THAT GAVE YOU A GREAT DEAL OF NEW INFORMATION,
21 DIDN'T IT?

22 A CORROBORATING INFORMATION. I WOULDN'T SAY NEW
23 INFORMATION. SOME NEW INFORMATION, YES.

24 Q WELL, IT GAVE YOU AN E-MAIL ADDRESS? IT GAVE
25 YOU AN E-MAIL ADDRESS?

1 A YES.

2 Q I'M SORRY. IN TRYING TO FIND THIS PERSON,
3 THIS NEW -- THIS WAS NEW INFORMATION; CORRECT?

4 A YOU CATEGORIZED IT AS A GREAT DEAL OF NEW
5 INFORMATION. IT WASN'T A GREAT DEAL OF NEW
6 INFORMATION.

7 Q I'M SORRY. IT WAS MORE INFORMATION THAN YOU
8 HAD BEFORE?

9 A YES.

10 Q IT GAVE YOU AN E-MAIL ADDRESS?

11 A YES, IT DID.

12 Q AND WHAT ELSE DID IT GIVE YOU?

13 A I'D HAVE TO REFER TO THE E-MAILS, BUT I RECALL
14 IT GIVING US, NUMBER ONE, CORROBORATING INFORMATION
15 ABOUT THE PHONE CALLS; AND THEN IT SEEMED TO ME IT
16 MOVED TO AN ADVANCED LEVEL IN THE LATER DAYS, I
17 BELIEVE IT WAS MAY 2003 TIMEFRAME WHERE THE
18 POTENTIAL AGREEMENT HAD BEEN STRUCK, A PRELIMINARY
19 CONTRACT HAD BEEN STRUCK WITH AN ENTITY OVERSEAS IN
20 CHINA.

21 Q AND DID YOU CONTINUE YOUR EFFORTS TO LOCATE
22 THE ANONYMOUS E-MAIL SENDER?

23 A I WENT TO GREAT LENGTHS TO IDENTIFY THAT.

24 Q TELL US WHAT YOU TRIED TO DO AS THE F.B.I. TO
25 LOCATE THE SENDER OF THE E-MAIL?

1 A WE WERE ABLE TO DETERMINE FROM THE E-MAIL
2 ADDRESS AND THE --

3 Q NOW I'M ASKING YOU GENERALLY. IT DOESN'T HAVE
4 TO BE YOU PERSONALLY?

5 A YEAH.

6 Q JUST SO I UNDERSTAND.

7 A WE HAD THE E-MAIL ADDRESS AND WE IDENTIFIED
8 THAT THAT E-MAIL ORIGINATED AT AN INTEL E-MAIL
9 SERVER.

10 HOWEVER, AFTER WORKING AT LENGTH WITH
11 INTEL'S CORPORATE SECURITY OFFICIALS, THEY
12 ARTICULATED TO ME THAT ANYBODY AT INTEL ANYWHERE,
13 AND THAT'S ROUGHLY 100,000 WORLDWIDE EMPLOYEES,
14 COULD BOUNCE AN E-MAIL OFF AN INTEL SERVER ANYWHERE
15 ELSE.

16 SO THEY COULD GIVE THE ILLUSION THAT
17 SOMEBODY IN SACRAMENTO COULD SEND IT, BUT MAKE IT
18 LOOK LIKE IT CAME FROM OREGON, THEIR ASHLAND
19 FACILITIES.

20 SO WE SERVED SUBPOENAS ON INTEL TO
21 DETERMINE, YOU KNOW, EXACTLY WHERE THAT CAME FROM
22 AND WE WEREN'T ABLE TO DETERMINE WHERE IT CAME
23 FROM.

24 THERE WAS NO WAY TO DETERMINE EXACTLY
25 WHAT INTEL FACILITY IT CAME FROM. WE KNEW FOR SURE

1 IT CAME FROM INTEL, BUT NOT WHICH FACILITY.

2 Q ANYTHING ELSE?

3 A LATER ON WE DID DO SOME INTERVIEWS STILL
4 TRYING TO IDENTIFY WHO THIS WAS, BUT I THINK I'M
5 GETTING AHEAD OF WHAT YOU'RE ASKING HERE.

6 Q WELL, THE INTERVIEWS YOU DID CAME FROM PHONE
7 RECORDS YOU OBTAINED; CORRECT?

8 A YEAH, WE DID SOME INTERVIEWS BASED ON PHONE
9 RECORDS, BUT ALSO BASED ON INTERVIEWS PROVIDED WITH
10 THE SUBJECTS, AND WE IDENTIFIED SOME PEOPLE THAT
11 WORKED AT INTEL, AND SO WITH THE INTEL WE THOUGHT
12 WE WOULD INTERVIEW THESE PEOPLE.

13 Q AND YOU TRIED TO INTERVIEW THE FRIENDS AND
14 ASSOCIATES OF MR. LEE AND MR. GE?

15 A I BELIEVE IT WAS ASSOCIATES WITH MR. LEE, ONE
16 THAT WORKED AT INTEL IN SACRAMENTO WHICH WAS WHO I
17 HAD BEEN WORKING, WITH THE CORPORATE SECURITY
18 OFFICER AT THEIR FOLSOM FACILITY.

19 Q BUT YOU UTILIZED -- FOR EXAMPLE, YOU WERE
20 GIVEN A GREAT DEAL OF MATERIAL BY NETLOGIC THAT
21 THEY HAD DEVELOPED IN THEIR OWN INVESTIGATION;
22 CORRECT?

23 A I --

24 Q I DON'T WANT TO USE GREAT DEAL. I'LL WITHDRAW
25 THE "GREAT DEAL."

1 YOU WERE GIVEN INFORMATION; CORRECT?

2 A THEIR INFORMATION HELPED FURTHER OUR
3 INVESTIGATION.

4 Q RIGHT. AND THEIR INVESTIGATION -- THEIR
5 INVESTIGATORS WERE PRESENT ON THE 11TH OF JUNE AT
6 THE MEETING?

7 A WHOSE INVESTIGATORS?

8 Q NETLOGIC'S INVESTIGATORS, SAFIRROSETTI?

9 A SAFIRROSETTI FOR NETLOGIC WERE PRESENT,
10 WINSTON KRONE, K-R-O-N-E, AND DAVID COOK.

11 Q OKAY. NOW, ONE OF THE THINGS THAT YOU'RE
12 TRAINED TO DO IF YOU SUSPECT THAT AN EMPLOYEE IS
13 STEALING YOUR INTELLECTUAL PROPERTY IS TO DO
14 FORENSICS WORK ON COMPUTERS; CORRECT?

15 A YES.

16 Q AND THE BEST THING TO DO, OR ONE OF THE THINGS
17 TO DO IS TO TAKE THE COMPUTER THEY'RE WORKING ON AT
18 THEIR OFFICE AND GET A -- EXCUSE ME -- WHAT IS
19 CALLED A MIRROR IMAGE OF THAT COMPUTER; CORRECT?

20 A THAT IS ONE TECHNIQUE, YES.

21 Q AND THEN AS A RESULT OF GETTING THAT IMAGE,
22 YOU CAN DO A FORENSICS EVALUATION OF WHAT HAS
23 OCCURRED ON THAT COMPUTER; CORRECT?

24 A YES, SIR.

25 Q AND YOU CAN DETERMINE -- EVEN THOUGH SOMEONE

1 DELETES INFORMATION FROM THEIR COMPUTER, IT'S STILL
2 THERE TO BE OBTAINED BY F.B.I. ANALYSTS; CORRECT?

3 A IT CAN BE.

4 Q AND EVEN IF YOU DELETE IT AND THEN DELETE THE
5 DELETE, IT'S STILL AVAILABLE TO BE RETRIEVED UNDER
6 MANY CIRCUMSTANCES; CORRECT?

7 A YOU'RE ASKING ME A TECHNICAL QUESTION I CAN'T
8 AFFIRM, BUT GENERALLY THAT IS POSSIBLE.

9 Q AND ONE OF THE THINGS, IF YOU BELIEVE THAT
10 SOMEONE IS ATTEMPTING TO STEAL THINGS LIKE
11 FABRICATION AND NETLISTS, SCHEMATICS AND
12 ARCHITECTURAL SPECIFICATIONS, IS TO LOOK AT THEIR
13 COMPUTER TO SEE IF THERE'S ANY ACCESS TO ANY OF THE
14 FILES THAT THEY DON'T NEED IN THE COURSE OF THEIR
15 BUSINESS?

16 A ABSOLUTELY.

17 Q AND SO ONE OF THE THINGS THAT WOULD BE
18 IMPORTANT TO DO, IF YOU WERE TRYING TO DETERMINE
19 WHETHER OR NOT MR. LEE WAS TRYING TO USE NETLOGIC'S
20 PROPRIETARY INFORMATION TO START HIS OWN BUSINESS,
21 IS TO SEE IF HE'S ACCESSING FILES HE SHOULDN'T
22 ACCESS; CORRECT?

23 A THAT WOULD BE AN INVESTIGATIVE STEP, YES.

24 Q RIGHT. IN FACT, YOU WERE TOLD THAT THAT WORK
25 HAD ALREADY BEEN DONE BY THE SAFIRROSETTI PEOPLE?

1 A INCORRECT.

2 Q YOU HAD TOLD -- YOU WERE TOLD THAT THEY HAD
3 MIRROR IMAGE OF THE COMPUTER TO DO THE ANALYSIS?

4 A THE ANALYSIS HAD NOT BEEN CONDUCTED.

5 Q I'M SORRY. OKAY. DID YOU ASK FOR A COPY OF
6 THAT MIRROR IMAGE?

7 THE COURT: IT IS ABOUT ALMOST A QUARTER
8 OF THE HOUR. LET'S TAKE OUR BREAK AT THIS POINT.

9 WE'LL COME BACK IN ABOUT TEN MINUTES, SO
10 FIVE TO THE HOUR. MAKE WAY FOR THE EXPECTANT
11 MOTHER.

12 (WHEREUPON, A RECESS WAS TAKEN.)

13 THE COURT: READY TO RESUME?

14 MR. NOLAN: YES.

15 THE COURT: SUMMON THE JURY.

16 (WHEREUPON, THE FOLLOWING PROCEEDINGS
17 WERE HELD IN THE PRESENCE OF THE JURY:)

18 THE COURT: PLEASE BE SEATED.

19 VERY WELL. YOU MAY RESUME YOUR
20 EXAMINATION.

21 MR. NOLAN: THANK YOU, YOUR HONOR.

22 Q LET'S GO BACK TO THE MEETING YOU HAD AT THE
23 COMPANY ON JUNE 11TH.

24 AND THERE WERE SOME DECISIONS MADE AS TO
25 WHAT WOULD TRANSPIRE NEXT; CORRECT?

1 A DECISIONS BY WHO?

2 Q WELL, YOU AND THE COMPANY DECIDED TO HELP EACH
3 OTHER?

4 A THERE WAS A MUTUAL UNDERSTANDING THAT WE WOULD
5 COOPERATE.

6 Q SAFIROSETTI WAS GOING TO CONTINUE TO DO THEIR
7 EVALUATIONS; CORRECT?

8 A YES.

9 Q THEY WERE GOING TO INFORM YOU OF THE RESULTS
10 OF THEIR ANALYSIS OF THE COMPUTERS AT NETLOGIC;
11 CORRECT?

12 A YES.

13 Q AND YOU WERE GOING TO RELY UPON THOSE AS TO
14 WHETHER OR NOT THERE WOULD BE ANY RELEVANT
15 INFORMATION AS TO SEE WHETHER THERE WAS ANY ATTEMPT
16 TO STEAL TRADE SECRETS; CORRECT?

17 A IN PART.

18 Q THERE WAS A DECISION MADE THAT -- OR AT LEAST
19 A REQUEST THAT THEY NOT FIRE MR. LEE AND MR. GE
20 UNTIL YOU HAD A CHANCE, OR THEY HAD A CHANCE TO
21 CONTINUE TO MONITOR HIS ACTIVITIES; CORRECT?

22 A I DON'T REMEMBER IT BEING PHRASED THAT WAY. I
23 REMEMBER THE DISCUSSION, BUT I DON'T REMEMBER
24 INSTRUCTING THEM TO DO ONE THING OR ANOTHER, BUT WE
25 DID TALK ABOUT IT AND ULTIMATELY I RECALL THAT THEY

1 AS WELL WANTED, THAT IS, NETLOGIC WANTED TO
2 DETERMINE IF THEY HAD ANYTHING. IF THEY DIDN'T
3 WORK THERE, THEY COULDN'T EXAMINE THAT.

4 Q THEY TOLD YOU THAT THEY WOULD MONITOR THEIR
5 E-MAIL ACTIVITY?

6 A THAT WAS SOMETHING THAT WAS IN PLACE BEFORE WE
7 MET ON JUNE 11TH, SO --

8 Q AND THEY TOLD YOU THAT THEY WOULD CONTINUE TO
9 MONITOR THEIR E-MAIL ACTIVITY?

10 THE COURT: DO YOU HAVE A QUESTION
11 PENDING?

12 MR. NOLAN: YEAH -- DID HE ANSWER IT?
13 I'M SORRY.

14 THE WITNESS: I DIDN'T KNOW IT WAS A
15 QUESTION.

16 BY MR. NOLAN:

17 Q DID THEY TELL YOU?

18 A YEAH, I RECALL THEY TOLD ME IT WAS PART OF THE
19 INVESTIGATION WAS TO MONITOR THE E-MAIL.

20 Q AND TO GIVE YOU INFORMATION FROM THAT
21 MONITORING; CORRECT?

22 A IF IT WAS -- IF THEY DEEMED IT TO BE
23 PERTINENT, YES.

24 Q AND YOU GOT INFORMATION FROM THEM; CORRECT?

25 A I BELIEVE WE DID, YEAH, IN THE SUMMARY THAT

1 THEY PROVIDED US DURING THAT DAY.

2 Q AND THEY TOLD YOU THAT MR. LEE WAS PLANNING ON
3 GOING TO CHINA; CORRECT?

4 A YEAH, I BELIEVE HE WAS GOING ON VACATION OR
5 SOMETHING TO CHINA, YES.

6 Q AND YOU TALKED ABOUT ARRESTING HIM AT THE
7 AIRPORT; CORRECT?

8 A WE MAY HAVE DISCUSSED THAT IF POTENTIALLY HE
9 HAD INTELLECTUAL PROPERTY.

10 Q DO YOU REMEMBER DISCUSSING THE PLAN TO
11 ARREST --

12 A NO.

13 Q -- AND TO STOP MR. LEE AT THE AIRPORT?

14 A ABSOLUTELY. IF SOMEBODY IS -- IF AN
15 ALLEGATION THAT SOMEONE HAS STOLEN INTELLECTUAL
16 PROPERTY IS LEVIED, WE'RE GOING TO WATCH THAT
17 PERSON LEAVE TO CHINA, YES.

18 Q SEARCH THEM?

19 A ABSOLUTELY, IF ORDERED.

20 Q RIGHT. SO IF SOMETHING WAS WORKED OUT WITH
21 THE COMPANY, YOU'RE GOING TO KEEP THEM ON FOR A
22 WHILE AND WE'RE GOING TO MONITOR HIS PHONE CALLS;
23 CORRECT?

24 A WE DIDN'T --

25 Q EXCUSE ME. DID YOU MONITOR HIS PHONE CALLS?

1 THE COURT: WELL, YOU DID PUT THAT
2 PREAMBLE AS PART OF THE QUESTION. IT WAS FAIR FOR
3 HIM TO CLARIFY THAT HIS ANSWER DOES NOT ADOPT THAT
4 PREAMBLE.

5 MR. NOLAN: THAT'S CORRECT.

6 Q YOU MONITORED HIS PHONE CALLS?

7 A NO, WE DID NOT MONITOR HIS PHONE CALLS.

8 Q AND YOU OBTAINED HIS PHONE CALL INFORMATION?

9 A ARE YOU ASKING ME A QUESTION? BECAUSE DID I
10 RECEIVE PHONE CALL INFORMATION FROM THE COMPANY?

11 YES.

12 BUT YOU SAID THAT I MONITORED HIS PHONES.
13 I DIDN'T MONITOR HIS PHONES.

14 Q YOU SUBPOENAED RECORDS FROM THE PHONE COMPANY?

15 A YES.

16 Q GRAND JURY SUBPOENAS?

17 A YES.

18 Q YOU SUBPOENAED RECORDS FROM HIS E-MAIL
19 ACCOUNTS; CORRECT?

20 A THAT'S CORRECT.

21 Q AND YOU TREATED IT AS IF HE WAS A SPY;
22 CORRECT?

23 A I TREATED HIM AS A SUBJECT OF INVESTIGATION.

24 Q INTO SPYING?

25 A THE CASE WAS A THEFT OF TRADE SECRETS CASE AT

1 THIS POINT.

2 Q AND YOU DID NOT TREAT HIM AS AN INVESTIGATION
3 INTO SPYING THEN?

4 A THE 25A DESIGNATOR OF THIS CASE IS THEFT OF
5 TRADE SECRETS.

6 Q AND DID YOU INVESTIGATE HIM AS TO WHETHER HE
7 WAS A SPY?

8 A "SPY" IS A VERY SPECIFIC TERM AND THIS IS A
9 THEFT OF TRADE SECRETS WITH THE POTENTIAL FOR
10 ECONOMIC ESPIONAGE. SO THAT DOES NOT HAVE THE WORD
11 "SPY" IN IT, SO I WOULD SAY NO.

12 Q ISN'T IT TRUE THAT THIS KIND OF AN
13 INVESTIGATION IS A PRIORITY INVESTIGATION?

14 A NATIONAL SECURITY IS NUMBER TWO FOR PRIORITY
15 INVESTIGATION OF THE F.B.I.

16 Q AND YOU'RE GOING TO MAKE SURE YOU USE ALL OF
17 THE RESOURCES NECESSARY TO MAKE SURE THAT OUR
18 PROPERTY OR TRADE SECRETS ARE NOT SHIPPED OVER TO
19 BENEFIT THE CHINESE GOVERNMENT; CORRECT?

20 A YES, THE UNITED STATES BENEFITS SIGNIFICANTLY.

21 Q AND IN THIS CASE YOU'RE GOING TO DEVOTE THAT;
22 CORRECT?

23 A IN THIS CASE WE DEVOTED THE AMOUNT OF
24 RESOURCES NECESSARY TO ACHIEVE THE OBJECTIVE.

25 Q YOU DON'T REMEMBER -- OR DO YOU REMEMBER

1 DISCUSSING WHAT FLIGHT HE WAS GOING TO LEAVE ON?
2 WHAT HIS ITINERARY WAS?

3 A ABSOLUTELY WE WOULD HAVE RESEARCHED THAT
4 DETAIL.

5 Q THE COMPANY TOLD YOU THAT THEY WOULD PROVIDE
6 THE RESOURCES NECESSARY TO ANALYZE THEIR HOME
7 COMPUTERS?

8 A I DON'T RECALL THE DISCUSSION, BUT THAT WOULD
9 BE TYPICAL. IF SOMEBODY HAD A NETLOGIC DOCUMENT ON
10 THEIR COMPUTER LEAVING THE COUNTRY, WE WOULD NEED A
11 NETLOGIC REPRESENTATIVE TO IDENTIFY WHAT THAT
12 DOCUMENT IS. THEY WOULD NOT DO THE IMAGING.

13 Q WELL, THEY OFFERED TO PROVIDE THE COMPUTER
14 HARDWARE AND SOFTWARE TO SEARCH MR. LEE'S COMPUTER;
15 CORRECT?

16 A WELL, I DON'T REMEMBER WHAT THEY DID, BUT THEY
17 WOULD NOT HAVE BEEN AUTHORIZED TO SEARCH SOMEBODY'S
18 COMPUTER. THEY'RE NOT THE GOVERNMENT.

19 Q AND I'M ASKING WHETHER OR NOT YOU REMEMBER
20 THAT THEY OFFERED TO DO THAT?

21 A I REMEMBER THEM COOPERATING AND OFFERING TO
22 EVALUATE ANY POTENTIAL NETLOGIC DOCUMENTS, YES.

23 Q AND IN THAT REGARD, YOU FOUND ON MR. LEE'S
24 COMPUTER PORTIONS OF HIS DESIGN FOR HIS COMPETING
25 CHIP AGAINST SICO'S CHIP; CORRECT?

1 A ON THE LAPTOP COMPUTER?

2 Q ON MR. LEE'S COMPUTERS AT HOME, YOU FOUND
3 DOCUMENTS THAT WERE THE DESIGN OF MR. LEE,
4 PRESUMABLY, FOR HIS CHIP TO COMPETE WITH NETLOGIC'S
5 CHIP?

6 A I FOUND CHIP DESIGNS THAT ALL RESOLVED TO
7 NETLOGIC INTELLECTUAL PROPERTY.

8 Q I'M SORRY. YOU FOUND CHIP DESIGNS?

9 A WE FOUND DESIGNS.

10 Q OKAY.

11 A YES.

12 Q AND YOU TOOK THOSE DESIGNS?

13 A YES.

14 Q AND YOU GAVE THEM TO NETLOGIC?

15 A AND TO NETLOGIC UNDER MY CONTROL.

16 Q WELL, WHEN YOU SAY UNDER YOUR CONTROL, THERE
17 ARE NO RECORDS OF YOUR GIVING THEM TO THEM; RIGHT?

18 A I DID NOT GIVE THEM TO THEM.

19 Q YOU WENT OVER WITH THEM?

20 A I WENT WITH THEM, THE DOCUMENTS, AND
21 ACCOMPANIED THEM THE ENTIRE TIME THAT THOSE
22 DOCUMENTS WERE EVALUATED.

23 Q AND THEY DID AN EVALUATION?

24 A THEY DID AN EVALUATION OF SEVERAL DOCUMENTS AT
25 SEVERAL DIFFERENT TIMES.

1 Q DID YOU TAKE ANY NOTES?

2 A NO. THEY PROVIDED A LETTER.

3 Q DID YOU MAKE ANY REPORTS?

4 A THERE MAY BE A 302 DOCUMENTING THE ACTUAL
5 MEETING, BUT I HAVE A LETTER FROM NETLOGIC
6 DOCUMENTING THEIR EVALUATION OF THE CHIP.

7 Q WELL, DIDN'T THEY ALSO DO SOME HANDWRITTEN
8 NOTES ON THEIR OWN TO DETERMINE THAT THE CHIP THAT
9 MR. LEE WAS DESIGNING WAS ACTUALLY DIFFERENT THAN
10 THEIR CHIP?

11 A I DON'T CONTROL THEIR HANDWRITTEN NOTES.

12 Q SIR, DURING THE COURSE OF YOUR INVESTIGATION,
13 WERE YOU AWARE THAT YOU GAVE -- WRONG WAY TO ASK
14 THE QUESTION.

15 DURING THE COURSE OF YOUR INVESTIGATION,
16 YOU GAVE MATERIAL FROM LAN LEE'S COMPUTER TO
17 NETLOGIC TO REVIEW; CORRECT?

18 A INCORRECT.

19 Q WELL, YOU, YOU PHYSICALLY TOOK IT OVER, GAVE
20 IT TO THEM, SAT THERE AND WATCHED THEM EVALUATE IT;
21 CORRECT?

22 A I ASKED THEM TO INITIALLY EVALUATE IF IT WAS
23 NETLOGIC I.P.

24 IF AT ANY POINT THERE HAD BEEN ANYTHING
25 THAT WAS OTHER THAN NETLOGIC I.P., I FELT THAT WE

1 HAD AN UNDERSTANDING AND PRIOR EVALUATIONS OF OTHER
2 DATA SHEETS SHOWED, AT LEAST ROLAND WAS THE PRIMARY
3 EVALUATOR AND HE SAID, YOU KNOW, IF THAT'S
4 SOMETHING I DON'T WANT TO SEE -- I REMEMBER IN ONE
5 INSTANCE IT WAS A PARTICULAR COMPANY, IT WAS NOT
6 I.P., AND IT WAS ANOTHER COMPANY NAME AND HE
7 IMMEDIATELY TURNED AND SAID "I DON'T WANT TO SEE
8 THAT DOCUMENT."

9 Q WELL, LET ME TRY TO ASK THE QUESTION AGAIN.

10 YOU TOOK MATERIAL FROM THE SEARCH OVER TO
11 NETLOGIC --

12 A YES.

13 Q -- PUT THEM DOWN, OR AT LEAST ASKED MR. CORTES
14 TO REVIEW THEM; CORRECT?

15 A YES.

16 Q AND YOU NEVER LET THEM OUT OF YOUR SIGHT?

17 A I NEVER LEFT THE FACILITY. I WAS ALWAYS WITH
18 THEM EITHER IN THE CONFERENCE ROOM OR OUTSIDE OF
19 THE CONFERENCE ROOM, BUT I NEVER LEFT THE FACILITY.

20 Q AND, WELL, DID THEY GO ONTO A COMPUTER?

21 A NO, NOT THAT I KNOW OF.

22 Q SO THEY WERE LOOKED AT IN HARD FORM?

23 A IN HARD COPY, YES.

24 Q SO YOU WERE WITH THEM THE WHOLE TIME?

25 A WE'RE SPEAKING OF SEVERAL INSTANCES HERE, SO I

1 DON'T WANT TO GENERALIZE.

2 Q I'M SORRY. AT ANY TIME WERE THEY LEFT WITHOUT
3 THEM BEING IN YOUR PRESENCE?

4 A THE FIRST TIME HE CAME TO THE PALO ALTO
5 RESIDENT AGENCY AND REVIEWED THE DOCUMENTS IN THE
6 IN THE SQUAD CONFERENCE ROOM AND I WAS EITHER IN
7 THE ROOM OR IN A ROOM ADJACENT TO IT WITH A GLASS
8 PARTITION BETWEEN US.

9 Q WHAT ABOUT THE OTHER TIMES?

10 A THE SECOND TIME I RECALL, I BELIEVE IT WAS THE
11 EXHIBIT 15, I TOOK THIS DOCUMENT PERSONALLY TO
12 NETLOGIC'S SPACE. WE REVIEWED THE DOCUMENT IN A
13 CONFERENCE ROOM TOGETHER.

14 I RECALL ROLAND CORTES AND VARAD
15 SRINIVASAN BEING THERE AND ROLAND BRINGING IN
16 REVISIONS OF DATA SHEETS TO IDENTIFY WHICH PORTIONS
17 OF THOSE DATA SHEETS WERE -- COMPRISED THE EXHIBIT
18 15.

19 SO IN THAT CASE I DON'T BELIEVE I LEFT
20 THE ROOM.

21 Q ALL RIGHT. LET ME ASK YOU A QUESTION: DO YOU
22 RECALL CALLING TO NETLOGIC AND TALKING TO
23 MR. CORTES ABOUT HIS EVALUATION OF THE MATERIAL --
24 OF SOME OF THE MATERIAL THAT YOU HAD SHOWN HIM?

25 A YOU'RE ASKING A VERY VAGUE QUESTION. WE HAD

1 MANY OF THOSE CONVERSATIONS.

2 Q DO YOU REMEMBER --

3 MAY I HAVE A MOMENT, YOUR HONOR? I'M
4 JUST SHOWING COUNSEL THE DOCUMENT.

5 (PAUSE IN PROCEEDINGS.)

6 BY MR. NOLAN:

7 Q LET ME SHOW YOU A DOCUMENT AND SEE IF IT
8 REFRESHES YOUR RECOLLECTION ABOUT A TELEPHONE CALL
9 THAT YOU HAD WITH MR. CORTES.

10 A WELL, I MEAN --

11 Q DOES THAT REFRESH YOUR RECOLLECTION ABOUT A
12 PHONE CALL THAT YOU HAD WITH MR. CORTES?

13 A THIS DOESN'T DO ANYTHING FOR MY RECOLLECTION.

14 Q THAT DOESN'T?

15 A NO.

16 Q IS YOUR PHONE NUMBER ON THE RIGHT -- LEFT-HAND
17 CORNER?

18 A I BELIEVE THAT WAS MY PRIOR CELL PHONE NUMBER.

19 Q SO --

20 A I'M NOT SAYING THE CALL DIDN'T OCCUR, BUT I
21 DON'T REMEMBER THIS CALL THOUGH.

22 Q IS THAT YOUR PHONE NUMBER?

23 A YEAH, I THINK THAT'S MY PRIOR CELL PHONE
24 NUMBER, YEAH.

25 Q AND DID YOU PREPARE -- WELL, LET ME PUT IT

1 THIS WAY: DID MR. CORTES TELL YOU THAT THE I/O
2 BUFFER ON THE SCHEMATICS WERE SIMILAR BUT ARE
3 DIFFERENT?

4 MR. PARRELLA: I'M GOING TO OBJECT, YOUR
5 HONOR. THERE'S NO FOUNDATION FOR THIS.

6 MR. NOLAN: YOUR HONOR --

7 THE COURT: THE QUESTION IS PERFECTLY
8 PROPER AS TO WHETHER HE TOLD YOU THOSE WORDS.

9 IF YOU REMEMBER HIM TELLING YOU THAT,
10 TELL US.

11 IF YOU DON'T, SAY YOU DON'T.

12 THE WITNESS: I HONESTLY CAN'T RECALL
13 THAT EXACT STATEMENT.

14 BY MR. NOLAN:

15 Q ANYTHING CLOSE TO THAT?

16 A NO.

17 Q DO YOU REMEMBER TALKING TO MR. CORTES ABOUT
18 I/O BUFFERS?

19 A YEAH, I DO REMEMBER THE TERM I/O BUFFERS.

20 Q AND WHEN DID THAT TERM COME UP AND IN WHAT
21 CONVERSATION?

22 A THAT TERM CAME UP NUMEROUS TIMES. I COULDN'T
23 PINPOINT TO A PARTICULAR CONVERSATION.

24 Q DO YOU REMEMBER -- IF MR. CORTES HAD EVALUATED
25 CONFIDENTIAL -- IF HE HAD EVALUATED CONFIDENTIAL

1 INFORMATION SEIZED FROM THE COMPUTER OF MR. LEE, DO
2 YOU REMEMBER HIM TELLING YOU HOW THEY WERE
3 DIFFERENT? HOW HIS CHIP WAS DIFFERENT?

4 MR. PARRELLA: OBJECTION, THIS IS
5 SPECULATION. HE ASKED "IF MR. CORTES EVALUATED"
6 IT.

7 THE COURT: SUSTAINED.

8 BY MR. NOLAN:

9 Q DID YOU EVER PREPARE A REPORT THAT INDICATED A
10 CONVERSATION WITH MR. CORTES WHERE HE TALKED ABOUT
11 THE SCHEMATICS OF MR. LEE'S CHIP?

12 A AGAIN, I'M TRYING TO UNDERSTAND YOU. YOU'RE
13 SAYING SCHEMATICS. THERE ARE MANY DOCUMENTS HERE.
14 YOU HAVE TO PINPOINT TO A DOCUMENT FOR ME TO VERIFY
15 WHAT YOU'RE ASKING.

16 Q DO YOU REMEMBER A CONVERSATION WITH MR. CORTES
17 WHERE HE TALKED ABOUT THE DISSIMILARITIES BETWEEN
18 THE NETLOGIC CHIP AND THE SICO CHIP?

19 A I DON'T REMEMBER THAT CONVERSATION
20 SPECIFICALLY, BUT I DO REMEMBER THAT THERE WERE
21 DISSIMILARITIES, AS WELL AS SIMILARITIES.

22 Q DID YOU PREPARE ANY REPORT OF CONVERSATIONS
23 WITH NETLOGIC WHERE THEY TALKED ABOUT THE
24 DISSIMILARITIES BETWEEN THE SICO CHIP AND THE
25 NETLOGIC CHIP?

1 A I BELIEVE THAT WAS COVERED IN THE LETTER
2 PROVIDED BY ROLAND CORTES.

3 Q NO. I'M TALKING ABOUT DID YOU PREPARE A
4 REPORT?

5 A NO, I DID NOT. NOTHING BASED ON A TELEPHONE
6 CALL, NO.

7 Q DID YOU PREPARE A REPORT THAT YOU HAD RECEIVED
8 INFORMATION OVER THE PHONE FROM NETLOGIC THAT THEY
9 HAD FOUND DISSIMILARITIES BETWEEN THE SICO CHIP AND
10 THE NETLOGIC CHIP?

11 A I DON'T RECALL PREPARING SUCH A REPORT, NO,
12 AND I DON'T RECALL ANY SUCH CONVERSATION EITHER.

13 Q AND THAT WOULD HAVE BEEN SOMETHING THAT YOU
14 SHOULD HAVE PUT IN A REPORT; CORRECT?

15 A YOU JUST SHOWED ME THE NOTES OF ROLAND CORTES.

16 Q EXCUSE ME. YOU SAID --

17 A ABSOLUTELY IF IT WAS RELEVANT AND
18 SUBSTANTIATED, IT WOULD ABSOLUTELY GO IN A REPORT.

19 Q WELL, IF IT'S SAID BY THEM IT WAS
20 SUBSTANTIATED; CORRECT?

21 A I MEAN, IF THEY TOLD ME THAT AND IT WAS
22 SUBSTANTIATED WITH A DOCUMENT BACKING THAT UP
23 SHOWING ME HOW SOMETHING WAS DIFFERENT OR SIMILAR.
24 THEY SUBSTANTIATED SIMILARITIES BY PROVIDING ME A
25 DOCUMENT.

1 Q SO IT'S NOT ENOUGH FOR THEM TO TELL YOU?

2 A TO WHAT MEETS THE THRESHOLD FOR A 302, IT
3 WOULD DEPEND. IT WOULD DEPEND ON THE
4 CIRCUMSTANCES.

5 Q YOU -- IT TURNED OUT MR. LEE DIDN'T GO TO
6 CHINA, TO THE BEST OF YOUR KNOWLEDGE, AT THE END OF
7 JULY; CORRECT?

8 A THAT'S CORRECT.

9 Q AND SO THEN IT WAS DECIDED THAT YOU WOULD
10 CONDUCT INTERVIEWS AT NETLOGIC OF MR. LEE AND
11 MR. GE; CORRECT?

12 A CORRECT.

13 Q AND THOSE INTERVIEWS -- BY THE WAY, YOU DON'T
14 TAPE RECORD YOUR INTERVIEWS; CORRECT?

15 A NO, WE DON'T.

16 Q THAT'S JUST A POLICY OF THE F.B.I.; CORRECT?

17 A THE F.B.I. POLICY IS NOT TO TAPE RECORD
18 INTERVIEWS.

19 Q AND THAT POLICY HAS BEEN IN EFFECT FOR HOW
20 MANY YEARS?

21 A AS LONG AS I HAVE BEEN AN F.B.I. AGENT.

22 Q WELL, YOU HAVEN'T BEEN -- I'M SORRY. I KNOW
23 YOU'VE BEEN THERE A LONG TIME, BUT IT GOES BACK TO
24 HERBERT HOOVER, DOESN'T IT?

25 A I KNOW OF IT SINCE I HAVE BEEN AN F.B.I.

1 AGENT.

2 Q HERBERT HOOVER? MAYBE I HAVE THE WRONG NAME.

3 A J. EDGAR HOOVER.

4 Q J. EDGAR HOOVER. I'M SORRY.

5 IT GOES BACK 50 OR 60 YEARS; ISN'T THAT
6 CORRECT?

7 A I'M NOT FAMILIAR WITH THE TAPE RECORDING
8 POLICIES OF THE F.B.I.

9 Q OKAY. AND SO YOU WERE THE ONLY ONE IN THERE
10 WITH MR. LEE, CORRECT, ON THE FIRST MEETING?

11 A ON WHICH DATE? JULY 29TH, 2003?

12 Q YES.

13 A YES, THAT'S CORRECT.

14 Q AND BY THEN YOU HAD RECEIVED INFORMATION FROM
15 SAFIRROSETTI THAT THEY HAD EVALUATED THE WORK
16 COMPUTERS OF THE -- OF MR. LEE AND MR. GE?

17 A SOME INFORMATION. MY UNDERSTANDING WAS IT WAS
18 AN ONGOING PROCESS. BUT SOME INFORMATION I BELIEVE
19 WE HAD RECEIVED AT THAT POINT.

20 Q BY THE WAY, ON THE JUNE 11TH MEETING, THE
21 NETLOGIC PEOPLE TOLD YOU THAT THEY SUSPECTED THAT
22 MR. LEE WANTED TO COPY THE CAM4 PROJECT; CORRECT?

23 A ON THE JUNE 11TH MEETING? WITH RESPECT --
24 RESTATE THAT.

25 Q ON THE JUNE 11TH MEETING --

1 A YES.

2 Q -- THE NETLOGIC PEOPLE TOLD YOU THAT THEY
3 SUSPECTED THAT LAN LEE WANTED TO COPY THE CAM4
4 PROJECT?

5 A YES, THAT SOUNDS RIGHT.

6 Q THAT HE WANTED TO RECREATE THE TECHNOLOGY OF
7 THE CAM4?

8 A YEAH, THAT WOULD BE CONSISTENT.

9 Q AND THAT IT CARRIED MORE SIGNIFICANCE THAN ANY
10 OTHER TECHNOLOGY DEVELOPED BY NETLOGIC?

11 A YEAH, I RECALL THAT.

12 Q UH-HUH. AND WHEN YOU ENDED UP, AFTER THE
13 SEARCH, FINDING PORTIONS OF A DATA SHEET, THAT WAS
14 FOR THE CAM3 PROJECT; CORRECT?

15 A YEAH, WE FOUND MANY REVISIONS OF THAT IN NSE,
16 NEVADA, SIERRA, 5512.

17 Q AND IN THE EYES OF NETLOGIC, THAT BECAME THE
18 MOST IMPORTANT OF THEIR TECHNOLOGY; CORRECT?

19 A NO, THAT'S INCORRECT.

20 Q NOW, LET'S GO NOW TO THE TIME YOU SAW MR. LEE
21 ON THE, WHATEVER, THE 27TH OR 29TH OF JULY, OR
22 WHATEVER DAY IT WAS, AND THEN HE CAME AND BROUGHT A
23 DOCUMENT AND YOU TALKED BRIEFLY AND THEN YOU HAD AN
24 INTERVIEW WITH HIM ON?

25 A SEPTEMBER 12TH.

1 Q ON WHAT?

2 A SEPTEMBER 12TH.

3 Q ALL RIGHT. RIGHT HERE.

4 AND THAT'S AN INTERVIEW WHERE YOU
5 TESTIFIED ON DIRECT EXAMINATION THAT HE UNDERSTOOD
6 THE TERMS OF HIS EMPLOYMENT AGREEMENT; IS THAT
7 RIGHT?

8 A THAT'S WHAT HE STATED TO ME.

9 Q AND DID YOU ASK HIM WHAT HE UNDERSTOOD THEM TO
10 BE?

11 A NO.

12 Q DID YOU ASK HIM --

13 A WELL, IT SAYS RIGHT HERE IN MY REPORT THAT
14 THOSE TERMS DICTATED THAT ALL CONFIDENTIAL
15 INFORMATION OF NETLOGIC, INCLUDING THE NSE 5512 OR
16 NSE 5512 DATA SHEET WERE NOT TO BE PASSED OUT TO
17 ANYBODY ELSE OUTSIDE OF NETLOGIC MICROSYSTEMS.

18 Q AND IN YOUR MIND THAT WAS A CONCESSION THAT IT
19 WAS A TRADE SECRET?

20 A NO. IT WAS A CONCESSION THAT HE UNDERSTOOD
21 THE EMPLOYMENT AGREEMENT.

22 Q ALL RIGHT. THE EMPLOYMENT AGREEMENT.

23 AND THE EMPLOYMENT AGREEMENT IS NOTHING
24 BUT AN EMPLOYMENT AGREEMENT BETWEEN TWO PARTIES?

25 A THAT'S CORRECT, YEAH.

1 Q AND A VIOLATION OF THAT DOESN'T CONSTITUTE A
2 FEDERAL OFFENSE?

3 A NO, IT DOESN'T.

4 Q NOW, YOU ALSO SAID THAT HE DIDN'T REMEMBER
5 ANYTHING ABOUT THE DATA SHEET, BUT, IN FACT --
6 WELL, NOT BUT.

7 IN FACT, HE DID RECALL CUTTING AND
8 PASTING PORTIONS OF A NETLOGIC DOCUMENT INTO THE
9 BUSINESS PLAN; CORRECT?

10 A YES, HE DID STATE THAT.

11 Q WHILE HE WAS AT GE'S HOME WORKING ON THE
12 PROJECT?

13 A CORRECT.

14 Q AND CONSISTENT WITH ALL OF HIS OTHER
15 STATEMENTS, HE SAID HE USED NOTHING BUT PUBLIC
16 INFORMATION, PUBLIC SOURCE DOCUMENTS TO DO ALL OF
17 HIS WORK; CORRECT?

18 A YEAH, THAT'S WHAT HE ASSERTED, YES.

19 Q BUT ACCORDING TO YOU -- I'M NOT SAYING WHAT HE
20 ASSERTED AT THAT CONVERSATION.

21 I'M SAYING THAT HE ASSERTED THAT EVERY
22 TIME YOU TALKED TO HIM?

23 A NO, THAT'S INCORRECT.

24 Q DIDN'T YOU SAY THAT HE ALWAYS SAID THAT
25 EVERYTHING HE GOT WAS A PUBLIC SOURCE DOCUMENT, SO

1 THAT HE FELT CONFIDENT, COMFORTABLE TAKING HIS WORK
2 AND GIVING IT TO NETLOGIC TO TAKE A LOOK AT IT?

3 A YES, IN ADDITION TO SOMETHING ELSE HE ALSO
4 SAID.

5 Q WHAT ELSE DID HE ALSO SAY?

6 A WELL, THAT HE COULD NOT REMEMBER WHICH
7 NETLOGIC DOCUMENT THEY WERE USING. HE DIDN'T
8 BELIEVE IT WAS A TRADE SECRET OR NETLOGIC
9 CONFIDENTIAL, BUT HE DIDN'T KNOW WHICH ONE IT WAS.

10 Q RIGHT. BUT HE WAS CLEAR THAT HE WASN'T USING
11 ANYTHING TRADE SECRET, AT LEAST THAT WAS HIS
12 POSITION?

13 A HE WAS CLEAR THAT HE DIDN'T KNOW.

14 Q HE WAS CLEAR THAT HE DIDN'T BELIEVE THAT IT
15 WAS A TRADE SECRET?

16 A HE TOLD ME HE DIDN'T KNOW.

17 Q HE DIDN'T KNOW WHAT THE DOCUMENT WAS, BUT HE
18 KNEW IT WASN'T A TRADE SECRET?

19 A (WITNESS READING.)

20 Q NOW, DURING THE COURSE OF THIS INVESTIGATION
21 YOU HAVE HAD ACCESS TO MR. LEE'S BANK RECORDS;
22 CORRECT?

23 A I BELIEVE SO, YES.

24 Q HIS PHONE RECORDS; CORRECT?

25 A YES.

1 Q HIS E-MAIL RECORDS?

2 A YES.

3 Q HIS PERSONAL RECORDS REGARDING WHEN HE BOUGHT
4 HOMES, HOW MUCH HE OWED ON THE HOMES AND WHAT
5 CORPORATIONS HE MAY HAVE STARTED; CORRECT?

6 A YEAH. THOSE ARE CONSIDERED PUBLIC SOURCE
7 DOCUMENTS.

8 Q I'M NOT ARGUING WITH YOU, SIR.

9 FAMILY, YOU WERE ABLE TO DETERMINE THAT.

10 YOU WERE ABLE TO TAKE PICTURES OF HIM;

11 CORRECT?

12 A YES.

13 Q YOU WERE ABLE TO TAKE A LOOK AT PERSONNEL
14 RECORDS?

15 A YES.

16 Q CORRECT? AND YOU WERE ABLE TO LOOK AT THE
17 COMPUTERS AT HIS HOME AND SEE WHETHER OR NOT YOUR
18 FORENSIC PEOPLE COULD SEE WHETHER OR NOT HE HAD
19 DONE ANYTHING THAT WOULD INDICATE AN EFFORT TO
20 STEAL TRADE SECRETS; CORRECT?

21 A THAT'S CORRECT.

22 Q WHETHER HE ERASED IT OR NOT OR TRIED TO DELETE
23 IT OR NOT; CORRECT?

24 A CORRECT.

25 MR. NOLAN: CAN I JUST HAVE A MOMENT,

1 YOUR HONOR?

2 (PAUSE IN PROCEEDINGS.)

3 MR. NOLAN: I HAVE NO FURTHER QUESTIONS
4 AT THIS TIME, YOUR HONOR. THANK YOU.

5 THE COURT: ANY FURTHER CROSS?

6 MR. SWANSON: YES, YOUR HONOR.

7 MR. PARRELLA: YOUR HONOR, CAN WE TAKE
8 DOWN --

9 THE COURT: COUNSEL, DO YOU WANT TO GET
10 YOUR CHART?

11 MR. NOLAN: OH.

12 MR. SWANSON: ACTUALLY, YOUR HONOR, I
13 WILL STILL BE USING THAT CHART. SO WE CAN SAVE
14 HAVING TO RUN AROUND.

15 THE COURT: CERTAINLY.

16 **CROSS-EXAMINATION**

17 BY MR. SWANSON:

18 Q GOOD AFTERNOON, AGENT SIEBER.

19 A GOOD AFTERNOON.

20 Q AS YOU SAID YOU HAD BEEN AN AGENT FOR A YEAR
21 AND A HALF WHEN THIS INVESTIGATION BEGAN; RIGHT?

22 A A LITTLE LESS THAN THAT.

23 Q WELL, YOU HAD ONLY BEEN IN THE FIELD A FEW
24 MONTHS; CORRECT?

25 A RIGHT.

1 Q YOU STARTED IN FEBRUARY OF 2003?

2 A THAT'S CORRECT.

3 Q AND YOU WERE SUPERVISED BY AGENT CHRISTIAN
4 CANO; CORRECT?

5 A INCORRECT.

6 Q YOU WERE NOT SUPERVISED BY AGENT CHRISTIAN
7 CANO; IS THAT RIGHT?

8 A THAT'S RIGHT.

9 Q HE WAS SENIOR TO YOU; CORRECT?

10 A HE WAS A PEER.

11 Q AND HE HAD BEEN WITH THE AGENCY FOR ABOUT SIX
12 MONTHS MORE THAN YOU HAD; RIGHT?

13 A CORRECT.

14 Q NOW, YOUR FIRST CONTACT THEN WITH NETLOGIC
15 CAME ABOUT THREE MONTHS OR SO AFTER YOU GOT INTO
16 THE FIELD; CORRECT?

17 A THE JUNE 4TH CONTACT WOULD BE ABOUT RIGHT,
18 YES.

19 Q AND YOUR WORK ON THIS BEGAN PRETTY MUCH AS
20 SOON AS YOU STARTED AS AN AGENT IN THE FIELD?

21 A PRETTY CLOSE TO.

22 Q THIS CASE STARTED WITH TIPS; CORRECT?

23 A AN ALLEGATION, YES.

24 Q WELL, IT STARTED WITH, AS FAR AS YOU WERE
25 CONCERNED, A COUPLE PHONE CALLS TO THE F.B.I.;

1 RIGHT?

2 A CORRECT.

3 Q AND IT WAS YOUR UNDERSTANDING THAT THERE
4 WERE -- YOUR UNDERSTANDING NOW, SAY, BACK IN APRIL
5 OF 2004 AND ALL DURING THIS INVESTIGATION THAT, IN
6 FACT, THERE WERE TWO TIPSTERS; CORRECT?

7 A NO, THAT'S NOT WHAT I BELIEVED.

8 Q ALL RIGHT. YOU DRAFTED A SEARCH WARRANT
9 AFFIDAVIT IN 2004; CORRECT?

10 A YES.

11 Q AND THAT WAS TO OBTAIN YAHOO RECORDS; RIGHT?

12 A CORRECT, RECORDS.

13 Q AND WHEN YOU DRAFT A SEARCH WARRANT AFFIDAVIT,
14 YOU HAVE TO EXPLAIN TO THE MAGISTRATE JUDGE WHY IT
15 IS THAT YOU'RE ENTITLED TO GET THE INFORMATION THAT
16 YOU'RE SEEKING?

17 A CORRECT.

18 Q AND IN DOING THAT, YOU HAVE TO TELL THEM
19 EVERYTHING THAT YOU KNOW THAT WOULD SUPPORT A
20 FINDING OF PROBABLE CAUSE; CORRECT?

21 A CORRECT.

22 Q YOU NEED TO TELL THEM WHAT YOU KNOW THAT
23 WOULD -- SHOULD PERSUADE THEM THAT YOU'VE GOT
24 ENOUGH EVIDENCE TO GO AHEAD AND ACTUALLY GET A
25 SEARCH WARRANT TO LOOK AT SOMEONE'S PRIVATE

1 MATERIAL; RIGHT?

2 A RIGHT.

3 Q AND IT'S IMPORTANT WHEN YOU DO A SEARCH
4 WARRANT AFFIDAVIT THAT WHAT YOU INCLUDE IN THAT
5 AFFIDAVIT IS TRUE; RIGHT?

6 A THAT'S RIGHT.

7 Q BECAUSE YOU'RE SIGNING IT UNDER OATH; RIGHT?

8 A RIGHT.

9 Q AND ISN'T IT TRUE THAT WHAT YOU SAID TO THE
10 MAGISTRATE JUDGE WHEN YOU FILED THE SEARCH WARRANT
11 AFFIDAVIT, WHICH YOU FILED ON APRIL 28TH, 2004, WAS
12 THAT ON JANUARY 6TH, 2003, AND JANUARY 7TH, 2003,
13 ANONYMOUS COMPLAINTS WERE FILED WITH THE SACRAMENTO
14 DIVISION OF THE F.B.I.; CORRECT?

15 A UH-HUH.

16 Q AND YOU THEN WENT ON TO SAY THE INFORMATION
17 PROFFERED BY THE COMPLAINANTS, PLURAL, WAS SIMILAR;
18 RIGHT?

19 A YES.

20 Q TWO; RIGHT?

21 A YES.

22 Q AND YOU WENT ON TO SAY ONE OF THE COMPLAINANTS
23 PROVIDED A TELEPHONE NUMBER; RIGHT?

24 A YES, THAT'S RIGHT.

25 Q YOU WENT ON TO SAY THAT THE COMPLAINANTS

1 IDENTIFIED LEE AS A U.S. CITIZEN; CORRECT?

2 A YES.

3 Q YOU WENT ON TO SAY THAT ONE OF THE
4 COMPLAINANTS ADVISED THAT PRIOR TO WORKING FOR
5 NETLOGIC, LEE WORKED FOR SUN MICROSYSTEMS?

6 A IT SOUNDS RIGHT.

7 Q YOU WENT ON TO SAY THAT ONE OF THE
8 COMPLAINANTS ALLEGED THAT LEE FREQUENTLY TRAVELED
9 TO THE PEOPLE'S REPUBLIC OF CHINA; RIGHT?

10 A THAT SOUNDS RIGHT.

11 Q WHAT YOU SAID WAS THAT BOTH ALLEGE THAT AN
12 INDIVIDUAL NAMED LAN LEE CONDUCTED THE TRANSFER OF
13 INTELLECTUAL PROPERTY; RIGHT?

14 A IT SOUNDS RIGHT, YEAH.

15 Q AND SO WHAT YOU SAID TO THE MAGISTRATE WAS
16 THAT THERE WERE COMPLAINANTS, PLURAL; RIGHT?

17 A YES, EXACTLY.

18 Q SO AT THIS POINT YOU THOUGHT THERE WERE TWO
19 TIPSTERS, RIGHT, NOT ONE; RIGHT?

20 A NO. THERE WERE TWO CALLS, AND IF I WAS TO PUT
21 ANYTHING ELSE OTHER THAN THERE ARE TWO
22 COMPLAINANTS, THEN I WOULD BE SUMMARIZING MY THEORY
23 TO A JUDGE TO ESTABLISH PROBABLE CAUSE FOR A SEARCH
24 WARRANT.

25 IT WAS MY THEORY THAT THE PERSON WAS THE

1 SAME.

2 Q YOU NEVER SHARED THAT THEORY WITH THE JUDGE
3 WHEN YOU -- CAN YOU LET ME FINISH, PLEASE?

4 A SURE.

5 Q YOU NEVER SAID TO THE JUDGE THAT "I ACTUALLY
6 THINK IT'S JUST ONE"; RIGHT?

7 A NO, I DIDN'T.

8 Q IT WOULD BE MORE CONVINCING, WOULD IT NOT, TO
9 TELL A JUDGE, WE'VE GOT TWO COMPLAINANTS, NOT ONE?

10 THE COURT: WELL, WHETHER IT'S CONVINCING
11 TO A JUDGE OR NOT CALLS FOR A CONCLUSION.

12 MR. PARRELLA: OBJECTION.

13 THE COURT: THE OBJECTION IS SUSTAINED.

14 BY MR. SWANSON:

15 Q IN YOUR OPINION WHEN YOU'RE GOING TO A JUDGE
16 ASKING FOR A SEARCH WARRANT, IF YOU'VE GOT TWO
17 WITNESSES WHO COME FORWARD, THAT'S MORE CONVINCING
18 THAN IF YOU HAVE ONE; RIGHT?

19 A NO, I DON'T AGREE WITH THAT.

20 Q YOU AGREE THAT IF YOU HAVE ONE SOURCE, IT'S
21 THE SAME AS HAVING TWO?

22 A I AGREE THAT THE FACTS THAT WERE PROVIDED TO
23 ME SHOULD BE ARTICULATED TO THE JUDGE, AND THAT'S
24 WHAT I DID.

25 Q AND YOU FELT THE SAME WHEN YOU WERE TALKING TO

1 THE PROSECUTOR; RIGHT?

2 YOU THOUGHT THAT YOU SHOULD TELL THE
3 PROSECUTOR EXACTLY THE SAME THING; THAT, IN FACT,
4 THERE WERE TWO COMPLAINANTS WHEN YOU THOUGHT
5 POSSIBLY THERE WAS ONLY ONE?

6 A YOU ASKED WHAT I THOUGHT AND MY REPLY WAS THAT
7 I THOUGHT IT WAS THE SAME PERSON GIVEN THE
8 SIMILARITY OF THE INFORMATION.

9 Q YOU DID A REPORT THAT OUTLINED FOR THE
10 PROSECUTOR ALL OF THE EVIDENCE THAT YOU HAD FOUND
11 IN THIS CASE; RIGHT?

12 A WHAT DO YOU MEAN, THE PROSECUTOR REPORT?

13 Q YES, THE PROSECUTOR REPORT?

14 A RIGHT, GOT IT.

15 Q AND IN THAT REPORT YOU ALSO OUTLINED WHAT HAD
16 HAPPENED TO CAUSE THIS INVESTIGATION TO START;
17 RIGHT?

18 A YES.

19 Q AND IN THAT REPORT -- AND THIS IS A REPORT
20 THAT YOU SUBMIT TO THE PROSECUTOR IN CONNECTION
21 WITH THEIR DECISION ABOUT WHETHER TO BRING CHARGES;
22 RIGHT?

23 A YEAH, THAT'S A PIECE OF IT, SURE.

24 Q AND ONE OF THE THINGS THAT YOU'RE DOING IS
25 YOU'RE OUTLINING ALL OF THE EVIDENCE THAT YOU HAVE

1 FOUND UP TO THAT POINT?

2 A YES.

3 Q AND THAT MOMENT IN THIS CASE WAS NOVEMBER OF
4 2004; RIGHT?

5 A IT SOUNDS RIGHT, YES.

6 Q AND NOVEMBER 4, 2004; IS THAT CORRECT?

7 A YES.

8 Q AND THIS IS YOUR BRIEF TO THE PROSECUTOR THAT
9 BOTH DESCRIBES ALL OF THE EVIDENCE, IT DESCRIBES
10 ALL OF THE POTENTIAL CHARGES, AND IT DESCRIBES WHY
11 THE EVIDENCE IS SUFFICIENT TO BRING THE CHARGES;
12 CORRECT?

13 A THAT'S EXACTLY WHAT IT IS.

14 Q AND IN THAT, AS YOU'RE TALKING TO A MAGISTRATE
15 JUDGE WHO YOU'RE ASKING FOR A SEARCH WARRANT, IT'S
16 IMPORTANT THAT WHAT YOU SAY IS TRUTHFUL; CORRECT?

17 A ABSOLUTELY.

18 Q AND IT'S IN NO WAY MISLEADING?

19 A ABSOLUTELY.

20 Q AND YOU WOULD AGREE THEN THAT WHEN YOU WROTE
21 THIS REPORT, YOU TALKED ABOUT BOTH COMPLAINANTS?

22 YOU DIDN'T TALK ABOUT BOTH CALLS; RIGHT?

23 YOU TALKED ABOUT BOTH COMPLAINANTS; RIGHT?

24 A WHAT IS THE QUESTION?

25 Q THE QUESTION IS, IN THIS REPORT YOU TALKED

1 ABOUT BOTH COMPLAINANTS WHEN YOU DESCRIBED THE TWO
2 PHONE CALLS?

3 A WE HAD TWO TELEPHONE CALLS, YES.

4 Q AND YOU DESCRIBED THEM AS TWO COMPLAINANTS;
5 CORRECT?

6 A TWO PHONE CALLS WOULD INDICATE THAT THERE ARE
7 POTENTIALLY TWO COMPLAINANTS, YES.

8 Q DID YOU SAY IN THIS THAT THERE ARE TWO PHONE
9 CALLS WITH POTENTIALLY TWO COMPLAINANTS, OR DID YOU
10 SAY BOTH COMPLAINANTS?

11 WOULD IT REFRESH YOUR RECOLLECTION TO
12 TAKE A LOOK AT YOUR REPORT?

13 A YEAH, IT WOULD ACTUALLY.

14 Q TAKE A LOOK, IF YOU WOULD, AT THE FIRST
15 PARAGRAPH ON PAGE 2963.

16 A OKAY.

17 Q DOES THAT REFRESH YOUR RECOLLECTION THAT WHAT
18 YOU SAID TO THE PROSECUTOR WHEN YOU SUBMITTED THIS
19 REPORT WAS THAT ONE OF THE COMPLAINANTS SAID ONE
20 THING AND ONE OF THE COMPLAINANTS SAID SOMETHING
21 ELSE.

22 BOTH COMPLAINANTS SAID SOMETHING ELSE;
23 RIGHT?

24 A BOTH COMPLAINANTS ALLEGED SIMILAR INFORMATION,
25 YES.

1 Q RIGHT?

2 A RIGHT. AND I INDICATED THAT THERE WERE
3 DEFINITELY TWO COMPLAINANTS, ABSOLUTELY.

4 Q ALL RIGHT. THANK YOU. THAT'S ALL I WAS
5 ASKING.

6 SO SOMEONE READING THIS REPORT WOULD NOT
7 HAVE HAD THE BENEFIT OF YOUR HYPOTHESIS THAT MAYBE
8 THERE IS ONLY ONE; CORRECT?

9 A THAT'S A VERY INFORMAL DOCUMENT THAT WE HAD
10 DISCUSSED MONTHS PRIOR TO PRODUCING IT.

11 Q WOULD YOU SAY THAT THE SEARCH WARRANT
12 AFFIDAVIT IS A VERY INFORMAL DOCUMENT, TOO?

13 A ABSOLUTELY NOT.

14 Q AND A PERSON READING THIS WOULD ALSO NOT HAVE
15 THE BENEFIT OF YOUR HYPOTHESIS THAT THERE IS ONLY
16 ONE; CORRECT?

17 A I'M GOING TO PUT THE FACTS IN ANY REPORT WHICH
18 I DID IN BOTH OF THOSE. THE FACT IS THAT THERE
19 WERE TWO CALLS.

20 Q IT DOESN'T SAY TWO CALLS. IT SAYS TWO
21 COMPLAINANTS?

22 A TWO COMPLAINANTS.

23 Q THANK YOU. ALL RIGHT.

24 NOW, WHEN YOU GOT THESE INITIAL TIPS TO
25 THE F.B.I., THERE WAS NO WAY YOU FOUND TO TRACK

1 DOWN WHO THOSE TIPSTERS OR TIPSTER WERE; RIGHT?

2 A NO. AS I STATED, I MADE MANY EFFORTS TO TRY
3 TO DETERMINE THIS.

4 Q WELL, I'M TALKING ABOUT MARCH, APRIL, MAY.

5 A YEAH, YEAH, YEAH.

6 Q NOW, BEFORE YOU HAD SPOKEN TO NETLOGIC, ALL
7 YOU'VE GOT IS SOMEONE LEFT A MESSAGE AND SOMEONE
8 CALLED IN AND NO WAY TO TRACE BACK TO WHO THAT WAS;
9 RIGHT?

10 A THAT'S EXACTLY WHAT I HAD.

11 Q BUT THEN YOU MET WITH NETLOGIC?

12 A CORRECT.

13 Q AND AT FIRST NETLOGIC DIDN'T TELL YOU THAT
14 THEY HAD ALSO HAD A TIPSTER WHO CONTACTED THEM;
15 RIGHT?

16 A THAT'S RIGHT.

17 Q BUT EVENTUALLY YOU SAY THAT THEY DID TELL YOU
18 THAT?

19 A THAT'S RIGHT.

20 Q AND THOSE TIPS CAME BY WAY OF E-MAIL; RIGHT?

21 A THAT'S CORRECT.

22 Q SO NOW THERE WAS SOME WAY TO BEGIN TO TRACE
23 WHO IT WAS THAT SENT THE TIPS; RIGHT?

24 A WE HAD A STARTING POINT, YES.

25 Q AND YOU HAD A STARTING POINT THAT YOU DIDN'T

1 HAVE WHEN YOU JUST HAD THE PHONE CALLS; CORRECT?

2 A THAT'S RIGHT.

3 Q AND YOU WENT TO -- WELL, NOW, LET ME SAY,
4 FIRST OF ALL, DID YOU THEN CONCLUDE THAT MAYBE YOU
5 HAD A SECOND OR EVEN THIRD TIPSTER ON YOUR HAND?

6 A I -- I COULDN'T MAKE ANY CONCLUSION AT THAT
7 POINT.

8 Q WELL, NOW, YOU KNEW THAT THE CALLER HAD TALKED
9 ABOUT TRANSFERRING TECHNOLOGY TO CHINA; RIGHT?

10 A YES.

11 Q YOU KNEW THAT THE E-MAILER HAD NOT; RIGHT?

12 A WELL, THE E-MAILER DID DISCUSS A BUSINESS PLAN
13 IN CHINA, A VENTURE CAPITAL FIRM IN CHINA.

14 Q THE E-MAILER NEVER TALKED ABOUT -- YOU
15 TESTIFIED THAT, AS I UNDERSTAND, THAT WHAT THE
16 CALLER SAID WAS THAT LAN LEE WAS STARTING A COMPANY
17 AND MAY BE STEALING TECHNOLOGY FROM THE CURRENT
18 EMPLOYER; IS THAT RIGHT?

19 A ONE OF THEM SAID SOMETHING TO THAT EFFECT,
20 YES.

21 Q TO THE F.B.I.; CORRECT?

22 A THAT'S CORRECT.

23 Q AND THEY NEVER SAID ANYTHING ABOUT STARTING A
24 COMPANY; RIGHT?

25 A I WOULD HAVE TO SEE THE DOCUMENTS TO VERIFY

1 EXACTLY WHAT THEY ARE.

2 Q OKAY. I'M HANDING YOU TWO DOCUMENTS. DO YOU
3 RECOGNIZE THOSE DOCUMENTS?

4 A YEP.

5 Q OKAY. WOULD IT REFRESH YOUR RECOLLECTION TO
6 TAKE A LOOK AT THESE DOCUMENTS?

7 THESE DOCUMENTS ARE THE SUMMARIES OF THE
8 PHONE CALLS; RIGHT?

9 A YES.

10 Q AND WOULD IT REFRESH YOUR RECOLLECTION TO TAKE
11 A LOOK AT THESE TO SEE WHAT, IN FACT, THE TIPSTER
12 OR TIPSTERS WHO CALLED IN ACTUALLY SAID?

13 A WOULD YOU ASK ME TO READ THEM?

14 Q NO. I ASKED YOU WHETHER IT REFRESHES YOUR
15 RECOLLECTION ABOUT WHAT THE TIPSTER OR TIPSTERS, IN
16 FACT, SAID?

17 A YES, IT DID.

18 Q AND, IN FACT, THE TIPSTER DID NOT SAY THAT
19 THIS PERSON IS STARTING A COMPANY; CORRECT?

20 A THAT'S CORRECT.

21 Q THIS PERSON DID NOT SAY THAT THE -- THAT
22 LAN LEE WAS POSSIBLY STEALING TECHNOLOGY FROM HIS
23 CURRENT EMPLOYER; CORRECT?

24 A OH, YEAH. THEY DID ALLEGE THAT HE'S
25 EXCHANGING SOME TYPE OF COMPANY PROTECTED

1 TECHNOLOGICAL INFORMATION.

2 Q HE DIDN'T SAY FROM HIS EMPLOYER; RIGHT?

3 A WELL, IT SAYS WHERE HE WORKS AND THAT HE'S
4 EXCHANGING INFORMATION, SO I WOULD SUSPECT THAT HE
5 GOT THE INFORMATION FROM WHERE HE WORKS.

6 Q FAIR ENOUGH. THAT WAS YOUR SUSPICION?

7 A YEAH.

8 Q BUT THE CALLER DIDN'T SAY TAKING I.P. FROM
9 NETLOGIC; RIGHT?

10 BUT THE E-MAILER DID; CORRECT?

11 A I WOULD HAVE TO LOOK AT THE E-MAILS.

12 Q OKAY. I WOULD DIRECT YOUR ATTENTION TO --

13 A 1A, B, C, D?

14 Q D, I BELIEVE.

15 A AND YOUR QUESTION IS?

16 Q THE E-MAILER SAID, "I JUST DON'T WANT TO SEE
17 NETLOGIC'S I.P. BECOME SICO'S I.P. ONE DAY"; RIGHT?

18 A RIGHT.

19 Q BLOW IT UP IF WE COULD.

20 A I SEE IT.

21 Q AND SO THAT INFORMATION ACTUALLY CAME FROM THE
22 E-MAILER AND NOT THE PHONE CALLER; RIGHT?

23 A RIGHT.

24 Q NOW, DID YOU CONCLUDE THAT THIS WAS YET
25 ANOTHER TIPSTER?

1 A NO, I DIDN'T.

2 Q OKAY.

3 A I DIDN'T MAKE ANY CONCLUSION AT THAT POINT.

4 Q OKAY. NOW, AGAIN, IN YOUR SEARCH WARRANT
5 AFFIDAVIT YOU TALKED ABOUT FINDING OUT ABOUT THE
6 E-MAILS; RIGHT?

7 A UH-HUH.

8 Q AND YOU --

9 THE COURT: YOU HAVE TO ANSWER YES OR NO.

10 BY MR. SWANSON:

11 Q YOU HAVE TO ANSWER YES OR NO.

12 A CAN YOU RESTATE THE QUESTION?

13 Q YEAH. IN THE SEARCH WARRANT AFFIDAVIT YOU
14 TALKED ABOUT LEARNING ABOUT THE E-MAILS; RIGHT?

15 A I'M GOING TO NEED TO SEE THE SEARCH WARRANT IF
16 YOU'RE GOING TO ASK ME SPECIFIC QUESTIONS ABOUT IT.

17 Q YOU'VE GOT IT (HANDING).

18 DIRECTING YOUR ATTENTION TO PAGE 1090?

19 A OKAY. WHAT PARAGRAPH?

20 Q PARAGRAPH 17?

21 A OKAY.

22 Q DESCRIBED ONE OF THE E-MAILS; RIGHT?

23 A OKAY.

24 Q PARAGRAPH 18, IT DESCRIBED THE OTHER E-MAILS;
25 RIGHT?

1 A OKAY. YES, I SEE IT.

2 Q AND THEN IF YOU'LL LOOK AT THE TOP ON THAT
3 SAME PAGE, BUT A LINE THAT STARTS ON PAGE 1089 AND
4 GOES ON TO PAGE 1090.

5 IT SAYS, "THE MESSAGES WERE RECEIVED ON
6 SEPTEMBER 27TH, 2002, DECEMBER 2ND, 2002, MARCH
7 26TH, 2003, AND MAY 5TH, 2003, AND CORROBORATED
8 ANONYMOUS INFORMATION RECEIVED BY THE F.B.I."

9 RIGHT?

10 A UH-HUH, YES.

11 Q NOW, PRESUMABLY ONE WITNESS CANNOT CORROBORATE
12 THEMSELVES; RIGHT?

13 A YEAH, SURE.

14 MR. PARRELLA: I'LL OBJECT TO THAT.
15 THAT'S A CONCLUSION.

16 THE COURT: SUSTAINED.

17 BY MR. SWANSON:

18 Q WHEN YOU SAID THAT THESE CORROBORATED, DID
19 THAT INDICATE -- DID YOU INTEND TO INDICATE THAT
20 HERE IS SOMEONE ELSE WHO IS BACKING UP WHAT WE
21 HEARD FROM THE FIRST COMPLAINANT?

22 A WHAT I INTENDED TO ARTICULATE WAS THAT THE
23 INFORMATION WAS SIMILAR AND SEEMED TO ARRIVE AT THE
24 SAME CONCLUSION.

25 THAT'S WHAT I ATTEMPTED TO ARTICULATE IN

1 THE WARRANT.

2 Q WELL, JUST TO BE CLEAR, THE E-MAILS NEVER SAID
3 ANYTHING ABOUT TRANSFERRING TECHNOLOGY TO CHINA;
4 RIGHT?

5 A WELL, YEAH. IT SAYS IT RIGHT HERE IN THE
6 FIRST LINE IN 1D.

7 IT TALKS ABOUT LAN SAYING I FOUND ONE
8 COMPANY IN BEIJING TO PAY SICO, LAN'S COMPANY, TO
9 CODEVELOP A NETWORK CO-PROCESSOR IN CHINA.

10 Q AND THAT TO YOU MEANT THAT HE WAS TRANSFERRING
11 SOMEONE ELSE'S TECHNOLOGY; RIGHT?

12 A THIS INFORMATION -- WHAT THIS INFORMATION AT
13 THE EARLY STAGES OF THE INVESTIGATION WAS --

14 Q LET ME BE CLEAR WHAT MY QUESTION WAS.

15 A YEAH.

16 Q MY QUESTION WAS, DID THE E-MAIL SAY THAT
17 SOMEONE WAS TRANSFERRING TECHNOLOGY TO -- NETLOGIC
18 TECHNOLOGY TO CHINA, AND IF I'M CORRECT, YOUR
19 ANSWER IS WHEN YOU LEARNED --

20 A MY ANSWER IS YES.

21 THE COURT: WELL, YOU CAN'T ANSWER FOR
22 HIM.

23 MR. SWANSON: OKAY.

24 Q AND SO YOUR ANSWER IS YES?

25 A YES.

1 Q AND SO YOU'RE SAYING YES BECAUSE AS I BELIEVE
2 THE FIRST SENTENCE INDICATES IS THAT LAN FOUND A
3 COMPANY IN BEIJING TO PAY SICO --

4 IF WE COULD JUST PUT UP 1D. AND THE
5 FIRST SENTENCE, "LOOKS LIKE LAN."

6 "LOOKS LIKE LAN FOUND ONE COMPANY IN
7 BEIJING TO PAY SICO (LAN'S COMPANY) TO CO-DEVELOP A
8 NETWORK PROCESSOR IN CHINA."

9 IS THAT THE INFORMATION THAT YOU BELIEVED
10 INDICATED THAT LAN WAS TAKING TECHNOLOGY TO
11 DELIVER -- TAKING TECHNOLOGY TO WHICH HE DIDN'T
12 POSSESS THE RIGHTS TO DELIVER TO CHINA?

13 A NO. YOUR QUESTION WAS WHETHER OR NOT THE
14 INFORMATION CORROBORATED THAT LAN LEE WAS
15 TRANSFERRING TECHNOLOGY.

16 AND MY ANSWER YES RELATED TO THE SECOND
17 SENTENCE, "I JUST DON'T WANT TO SEE NETLOGIC'S I.P.
18 BECOME SICO'S I.P. ONE DAY," THAT LED ME TO BELIEVE
19 SOMEONE SAYING THAT YOU DON'T WANT TO SEE SICO'S --
20 OR NETLOGIC'S I.P. GET STOLEN.

21 SO THAT'S THE CONNECTION THAT I MADE
22 BETWEEN THE TELEPHONE CALLS AND THE E-MAIL.

23 Q AND SO BASED ON WHAT YOU KNEW HERE FROM THESE
24 E-MAILS --

25 A YES.

1 Q -- AND THESE PHONE CALLS --

2 A YES.

3 Q -- YOU LAUNCHED AN INVESTIGATION TO SEE IF YOU
4 COULD FIND OUT WHO THE TIPSTER OR TIPSTERS WERE;
5 RIGHT?

6 A THIS IS FAR MORE INFORMATION THAN IS TYPICALLY
7 PROVIDED TO THE F.B.I. TO LAUNCH AN INVESTIGATION.

8 Q I DON'T THINK YOU ANSWERED MY QUESTION.

9 A YES.

10 Q BASED ON THIS INFORMATION, YOU LAUNCHED AN
11 INVESTIGATION TO FIND OUT WHO THE TIPSTERS WERE;
12 RIGHT?

13 A YES.

14 Q AND YOU WENT TO GREAT LENGTHS TO FIND OUT;
15 CORRECT?

16 A YES.

17 Q AND YOU FOUND OUT FROM SAFIRROSETTI THAT THE
18 E-MAILS HAD COME FROM INTEL; CORRECT?

19 A I BELIEVE THAT WE IDENTIFIED, YEAH, THE I.P.
20 ADDRESS FROM SAFIRROSETTI'S FORENSICS ANALYSIS,
21 YES.

22 Q AND YOU WANTED TO FIND OUT WHO THIS PERSON OR
23 WHO THESE PEOPLE WERE WHO SENT THE E-MAIL; RIGHT?

24 A ABSOLUTELY.

25 Q THAT'S AN IMPORTANT THING FOR THE F.B.I. TO

1 KNOW?

2 A VERY IMPORTANT.

3 Q YOU WANTED TO KNOW HOW MUCH -- WHY DID THE
4 PERSON SEND THE E-MAIL IN THE FIRST PLACE OR WHY
5 DID THEY MAKE THE CALL; RIGHT?

6 A ABSOLUTELY.

7 Q WHAT ARE THEIR MOTIVATIONS?

8 A ABSOLUTELY.

9 Q WHAT SORT OF INFORMATION DID THEY HAVE ABOUT
10 WHAT THEY WERE PROVIDING TIPS ABOUT; RIGHT?

11 A YES, ABSOLUTELY.

12 Q DID THEY MAKE IT UP OR DID THEY REALLY KNOW
13 SOMETHING?

14 A PRECISELY.

15 Q AND SO TO FIND THAT OUT, ON JUNE 13TH YOU
16 CALLED INTEL TRYING TO GET INFORMATION ABOUT -- YOU
17 CALLED INTEL TO GET INFORMATION ABOUT THE TIPSTER.

18 DO YOU RECALL THAT?

19 A YES, WE HAD PHONE CALLS, YES.

20 Q AND YOU CALLED THEM AGAIN ON JUNE 16TH; RIGHT?

21 A IT SOUNDS CORRECT, YES.

22 MR. PARRELLA: OBJECTION. COULD WE HAVE
23 THE YEAR ON THIS, PLEASE?

24 MR. SWANSON: 2003.

25 Q ON JUNE 20TH, 2003 YOU ISSUED SUBPOENAS TO

1 INTEL; RIGHT?

2 A IT SOUNDS CORRECT.

3 Q ALL OF THIS TRYING TO FIND OUT WHO IS OR WHO
4 ARE THESE TIPSTERS; RIGHT?

5 A THAT'S CORRECT.

6 Q ON JULY 2ND YOU MET WITH AN INVESTIGATOR AT
7 INTEL TO FIND OUT MORE ABOUT SOME OF THE PEOPLE
8 THAT YOU WERE LOOKING INTO; CORRECT?

9 A YES, NUMEROUS MEETINGS WITH INTEL.

10 Q AND ON JUNE 7TH YOU MET WITH AN INVESTIGATOR
11 AT INTEL; RIGHT?

12 A I'D HAVE TO CONFIRM THAT.

13 THE COURT: I THINK, SINCE THE WITNESS
14 HAS CONFIRMED THAT HE DID THIS INVESTIGATION, IT'S
15 UNDULY CONSUMPTIVE OF TIME TO TAKE HIM THROUGH THE
16 DETAILS OF IT UNLESS THERE'S SOMETHING PROBATIVE
17 ABOUT THAT.

18 MR. SWANSON: VERY WELL, YOUR HONOR.

19 THE COURT: I'M NOT SATISFIED THAT THIS
20 IS CARRYING US INTO AREAS THAT ARE PRODUCTIVE OF
21 OUR TIME.

22 MR. SWANSON: VERY WELL.

23 THE COURT: SO YOU CAN BRING THIS TO A
24 CLOSE AND GO ON TO OTHER AREAS.

25 MR. SWANSON: WELL, LET'S COME TO THE

1 END.

2 Q YOU NEVER FOUND OUT WHO THE TIPSTER WAS;
3 RIGHT?

4 A I DID NOT.

5 Q YOU DIDN'T KNOW THAT WHEN YOU PREPARED THE
6 PROSECUTOR MEMO FOR THE PROSECUTOR; RIGHT?

7 A ABSOLUTELY NOT.

8 Q YOU DIDN'T KNOW IT WHEN THE PROSECUTOR
9 PRESENTED ITS CASE TO THE GRAND JURY; RIGHT?

10 A ABSOLUTELY NOT.

11 Q IN FACT, YOU DIDN'T KNOW IT UNTIL MAY OR JUNE
12 OF THIS YEAR WHEN MY CLIENT'S WIFE CAME FORWARD AS
13 THE INFORMANT; CORRECT?

14 A THAT'S -- I LEARNED FROM THE CASE AGENT, YES.
15 SOMETIME AROUND THAT TIMEFRAME I RECEIVED A PHONE
16 CALL INDICATING THAT.

17 Q AND THAT'S ALSO THE FIRST TIME THAT YOU
18 LEARNED WHY SHE HAD DONE IT; RIGHT?

19 A IT WASN'T CLEAR TO ME --

20 Q WHY SHE SAID SHE HAD DONE IT?

21 A IT WASN'T CLEAR EXACTLY WHY SHE HAD DONE IT,
22 BUT I HAD LEARNED THAT SHE MADE THE CALLS.

23 Q NOW, BASED ON THE INFORMATION THAT YOU HAD IN
24 THESE TIPS, YOU ALSO BEGAN TO INVESTIGATE LAN LEE;
25 CORRECT?

1 A THAT'S CORRECT.

2 Q AND YOU DISCUSSED ALREADY A FAIR BIT OF WHAT
3 YOU DID TO INVESTIGATE LAN LEE, AND ALSO MY CLIENT,
4 YUEFEI GE; RIGHT?

5 A THAT'S CORRECT.

6 Q YOU GOT THE BENEFIT OF THE WORK THAT HAD
7 ALREADY BEEN DONE BY NETLOGIC BEFORE YOU TALKED TO
8 THEM IN EARLY JUNE; RIGHT?

9 A I RECEIVED THE BENEFIT AFTER THE JUNE 11TH,
10 YES.

11 Q RIGHT. AND THEY TOLD YOU WHAT THEY HAD FOUND
12 AND WHAT THEY HADN'T FOUND?

13 A YES.

14 Q AND THEY AGREED THAT THEY WOULD CONTINUE TO
15 MONITOR MR. LEE AND MR. GE IN THE WEEKS AHEAD WHILE
16 YOU CONTINUED YOUR INVESTIGATION; RIGHT?

17 A YEAH. I MADE IT VERY CLEAR THAT THEIR
18 INVESTIGATION WAS INDEPENDENT OF OURS AND THAT I
19 COULD NOT DIRECT THEM IN ANY OF THEIR COLLECTION
20 ACTIVITIES.

21 Q THEY SHARED WITH YOU WHAT THEY FOUND THOUGH;
22 RIGHT?

23 A IN SOME CASES, YES.

24 Q WELL, ARE YOU AWARE OF ANY INFORMATION THAT
25 THEY WITHHELD?

1 A NO, NONE.

2 Q OKAY. AND YOU RECEIVED FREQUENT FAXES FROM
3 THEIR GENERAL COUNSEL, MR. CORTES, ATTACHING
4 E-MAILS THAT HE HAD FOUND WHEN HE WAS GOING THROUGH
5 OUR CLIENTS' E-MAILS; RIGHT?

6 A I BELIEVE I RECEIVED SOME FAXES, BUT I DON'T
7 REMEMBER FREQUENTLY RECEIVING FAXES.

8 Q DO YOU RECALL RECEIVING COPIES OF LAN LEE'S
9 DATEBOOK?

10 A YEAH, I DO REMEMBER THAT.

11 Q BUT YOU DID YOUR OWN INVESTIGATION, TOO;
12 RIGHT?

13 A THAT'S CORRECT.

14 Q YOU DID SURVEILLANCE? YOU CAME AND TOOK
15 PHOTOGRAPHS OF YUEFEI GE AND LAN LEE AT THE
16 WORKPLACE; RIGHT?

17 A THAT'S CORRECT.

18 Q UNDERCOVER WITHOUT THEM KNOWING?

19 A I DIDN'T PERSONALLY TAKE THE PHOTOGRAPHS, BUT,
20 YES, SOMEBODY WAS ASSIGNED TO DO SO.

21 Q THE PURPOSE WAS NOT TO LET THEM KNOW THAT THEY
22 WERE BEING WATCHED?

23 A ABSOLUTELY.

24 Q YOU SUBPOENAED INFORMATION FROM PAC BELL ON
25 LAN LEE'S ACCOUNT; RIGHT?

1 A CORRECT.

2 Q AND YOU SUBPOENAED INFORMATION FROM NETLOGIC
3 ABOUT THEIR LOG FILES, THEIR -- THEIR COMPUTER
4 INFORMATION AND LAN LEE'S AND YUEFEI GE'S, WHEN
5 THEY ACCESS DOCUMENTS, WHAT THEY ACCESSED AND ALL
6 OF THAT; RIGHT?

7 A THAT SOUNDS CORRECT, YES.

8 Q AND YOU EVEN WENT THROUGH LAN'S TRASH; RIGHT?

9 A YEAH, I DID GO THROUGH LAN'S TRASH, RIGHT.

10 Q TWICE; RIGHT?

11 A I RECALL DOING IT ONCE ACTUALLY, BUT I WOULD
12 HAVE TO REFER TO MY CASE FILE TO DETERMINE IF I DID
13 IT MORE THAN TWICE.

14 Q AND YOU DID IT ALL BEFORE THE MEETING WITH
15 YUEFEI GE AND LAN LEE ON JULY 29TH OF 2003; RIGHT?

16 A YEAH. THAT WOULD HAVE MOST LIKELY OCCURRED
17 BEFORE THEN.

18 BUT, AGAIN, I WOULD HAVE TO REFER TO MY
19 CASE FILE TO SEE THE EXACT DATE WHEN I WENT THROUGH
20 HIS TRASH.

21 Q NONE OF THIS INVESTIGATION LEADING UP TO THIS
22 DATE, NONE OF WHAT YOU FOUND OR WHAT YOU RECEIVED
23 FROM NETLOGIC IDENTIFIED EVIDENCE OF ANY TECHNOLOGY
24 TRANSFER TO CHINA; CORRECT?

25 A I WOULD NOT SAY THAT THAT'S CORRECT.

1 Q WAS THERE ANY EVIDENCE THAT YOU FOUND OR THAT
2 NETLOGIC FOUND OF ANY UNAUTHORIZED ACCESS TO THE
3 COMPUTERS TO DOWNLOAD MATERIAL?

4 A NO, NO, NO INFORMATION INDICATING UNAUTHORIZED
5 ACCESS, NO.

6 Q OKAY.

7 A NOT AT THAT POINT.

8 Q ANY INDICATION, ANY EVIDENCE, ANY E-MAILS
9 SHOWING THAT NETLOGIC'S I.P., ITS INTELLECTUAL
10 PROPERTY HAD BEEN TRANSFERRED?

11 A YES.

12 Q NOT INCLUDING THE ANONYMOUS TIPSTER HERE, BUT
13 EVIDENCE THAT YOU SAY DEMONSTRATES THAT THEY HAD
14 ACTUALLY TRANSFERRED THE I.P. TO CHINA AT THAT
15 POINT?

16 A NO. OTHER THAN THE TIPSTER, NO, IT DID NOT.

17 Q OKAY. SO LET'S TALK ABOUT WHAT HAPPENED NEXT.

18 YOU INTERVIEWED MR. LEE AND MR. GE ON THE
19 29TH OF JULY; RIGHT?

20 A CORRECT.

21 Q AND THEN YOU IMAGED THE HARD DRIVES ON THEIR
22 COMPUTERS.

23 YOU DIDN'T, BUT THE TECHNICAL PEOPLE DID;
24 CORRECT?

25 A THAT'S CORRECT.

1 Q AND YOU HAD THE F.B.I. INVESTIGATION UNIT,
2 CART, THAT DOES FORENSICS ANALYSIS OF COMPUTERS
3 THEN ANALYZE THOSE HARD DRIVES; RIGHT?

4 A THAT'S -- IT CAN BE CONDUCTED THAT WAY, BUT
5 THEY PROCESSED THE IMAGES AND I THEN CONDUCTED THE
6 FORENSICS REVIEW MYSELF.

7 SO WE HAVE AN EVIDENCE REVIEW COMPUTER.
8 I LOADED THE HARD DRIVE THAT HAS THE IMAGED DATA,
9 BASICALLY A MIRROR OF THE DEFENDANT'S COMPUTERS,
10 AND THEN USING THIS SOFTWARE CALLED FORENSICS TOOL
11 KIT, F.T.K., I'M ABLE TO REVIEW THAT.

12 Q AND TO DO THAT YOU PUT IN SEARCH TERMS; RIGHT?

13 A THAT'S WHAT WE DID, YES.

14 Q AND THAT'S ONE OF THE THINGS YOU DID IN THIS
15 CASE; RIGHT?

16 A YEAH.

17 Q BECAUSE THERE'S A HUGE AMOUNT OF INFORMATION
18 HERE. YOU HAVE MULTIPLE COMPUTER HARD DRIVES, AND
19 IN ORDER TO FIGURE OUT WHETHER THERE'S ANYTHING
20 THERE WORTH LOOKING AT, YOU USE SEARCH TERMS;
21 RIGHT?

22 A YEAH, THAT'S ONE WAY TO SEARCH.

23 Q OKAY. SO WHAT YOU FOUND -- LET'S START OFF
24 WITH WHAT YOU FOUND THAT APPEARED TO CONTAIN
25 CONFIDENTIAL NETLOGIC INFORMATION. ALL RIGHT?

1 THE FIRST THING THAT I THINK YOU TALKED
2 ABOUT IS EXHIBIT 18, WHICH IS SOMETHING THAT WE
3 HAVE CALLED THE MESSED UP DATA SHEET. IT'S THE ONE
4 THAT HAS NSE 5512 ON THE FRONT.

5 COULD YOU PUT UP THE FRONT PAGE OF THAT?

6 THE COURT: CAN I INTERRUPT THIS? I HAVE
7 A MEETING I HAVE TO ATTEND, AND SO RATHER THAN GO
8 RIGHT UP UNTIL 4:00 O'CLOCK, SINCE YOU'RE NOW GOING
9 TO START TO GO IN DETAIL IT SOUNDS LIKE TO THE
10 VARIOUS DOCUMENTS, I'M GOING TO RECESS FOR THE DAY.

11 WE'LL COME BACK TO THIS MATTER TOMORROW
12 MORNING AT 9:00 O'CLOCK.

13 REMEMBER MY ADMONITIONS.

14 COUNSEL REMAIN BRIEFLY.

15 (WHEREUPON, THE PROCEEDINGS IN THIS
16 MATTER WERE HELD OUT OF THE PRESENCE OF THE JURY:)

17 THE COURT: YOU MAY STEP DOWN.

18 I ASKED YOU TO REMAIN JUST BECAUSE IT
19 DOES OCCUR TO ME THAT IT MIGHT BE APPROPRIATE FOR
20 THE COURT TO CLARIFY FOR THE JURY WHETHER OR NOT
21 THEIR ATTENTION SHOULD BE ON WHETHER OR NOT THERE
22 WAS ACTUAL TRANSFER OF TECHNOLOGY TO CHINA.

23 THERE HAVE BEEN SEVERAL INSTANCES WHERE
24 THAT QUESTION HAS BEEN ASKED, AS OPPOSED TO WHETHER
25 OR NOT DOCUMENTS WERE IN POSSESSION WITH CERTAIN

1 INTENT, AND THAT THE CLAIM HERE IS NOT THAT THERE
2 WAS -- THERE WAS ACTUAL TRANSFER TO CHINA, AND I
3 ALWAYS HESITATE TO MAKE THOSE CLARIFICATIONS
4 BECAUSE IT MIGHT APPEAR THAT THE COURT IS TRYING TO
5 EMPHASIZE ONE THING OR THE OTHER.

6 BUT IT DOES SEEM TO ME THAT I DON'T WANT
7 THERE TO BE ANY CONFUSION TO THE JURY THAT A
8 TRANSFER OF INFORMATION TO CHINA IS NECESSARY IN
9 ORDER FOR THEM TO FIND THAT THE GOVERNMENT HAS
10 CARRIED ITS BURDEN OF PROOF IN THE CASE.

11 I HAVE -- I KIND OF INTRODUCED THE CLAIMS
12 WITHOUT GIVING THE JURY THE BENEFIT OF THE ELEMENTS
13 OF THOSE CLAIMS, AND SO I JUST WANT TO ALERT YOU TO
14 THE COURT'S CONCERN.

15 MR. SWANSON: AND, YOUR HONOR, JUST TO
16 EXPLAIN I THINK WHERE WE'RE COMING FROM ON THIS.

17 IT REALLY SPRINGS OUT OF THE ANONYMOUS
18 PHONE CALLS TO TALK ABOUT TRANSFER OF TECHNOLOGY
19 THAT I THINK IS SORT OF RELEVANT TO WHAT THEY WERE
20 LOOKING FOR, NOT SO MUCH WHAT HAS TO BE PROVEN.

21 THE COURT: I UNDERSTAND THAT.

22 BUT THERE WAS, AS I RECALL, THE TIPS,
23 THEY WERE DESIGNED TO PREVENT THE ACTUAL TRANSFER
24 AS OPPOSED TO SAYING THAT THERE HAD BEEN A
25 TRANSFER.

1 AND THE EMPHASIS ON WHETHER OR NOT THERE
2 HAD BEEN A TRANSFER -- I'M ONLY -- IT'S OKAY TO ASK
3 WHETHER OR NOT, IN FACT, THERE WAS A TRANSFER
4 BECAUSE THAT WOULD BE RELEVANT.

5 THAT MIGHT BE A DIFFERENT CHARGE THAN THE
6 ONE BEING MADE BY THE GOVERNMENT HERE.

7 BUT IT DOES APPEAR TO ME TO BE IMPORTANT
8 TO KEEP THE JURY IN MIND THAT WHAT THEY ARE ASKED
9 TO DO IS TO DETERMINE WHETHER OR NOT THE POSSESSION
10 WITH A CERTAIN INTENT IS BEING PROVED BY THE
11 GOVERNMENT IN THE CASE.

12 I'LL SEE YOU TOMORROW MORNING.

13 MR. PARRELLA: YOUR HONOR, WE HAVE ONE
14 VERY BRIEF ITEM. THE DEFENSE FILED A MOTION LAST
15 NIGHT AND WE JUST WANT TO NOTIFY THE COURT THAT WE
16 WILL BE OPPOSING THAT.

17 WE HOPE TO HAVE OUR OPPOSITION PAPERS
18 IN --

19 THE COURT: I HAVEN'T EVEN SEEN THE
20 DEFENSE PAPERS. I WILL BE HAPPY TO SEE YOURS.

21 MR. PARRELLA: ALL RIGHT. THANK YOU.
22 FRIDAY MORNING.

23 MR. FAZIOLI: FRIDAY MORNING.

24 (WHEREUPON, THE EVENING RECESS WAS
25 TAKEN.)

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CERTIFICATE OF REPORTERS

WE, THE UNDERSIGNED OFFICIAL COURT REPORTERS OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA, 280 SOUTH FIRST STREET, SAN JOSE, CALIFORNIA, DO HEREBY CERTIFY:

THAT THE FOREGOING TRANSCRIPT, CERTIFICATE INCLUSIVE, CONSTITUTES A TRUE, FULL AND CORRECT TRANSCRIPT OF OUR SHORTHAND NOTES TAKEN AS SUCH OFFICIAL COURT REPORTER OF THE PROCEEDINGS HEREINBEFORE ENTITLED AND REDUCED BY COMPUTER-AIDED TRANSCRIPTION TO THE BEST OF OUR ABILITY.

/s/

IRENE RODRIGUEZ, CSR, CRR
CERTIFICATE NUMBER 8076

/s/

LEE-ANNE SHORTRIDGE, CSR, CRR
CERTIFICATE NUMBER 9595