

# **Exhibit I**

**HIGHLY CONFIDENTIAL**

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	Case No.
v.	)	20-Civ-10832 (AT) (SN)
	)	
RIPPLE LABS, INC., BRADLEY	)	
GARLINGHOUSE, and CHRISTIAN	)	
LARSEN,	)	
	)	
Defendants.	)	
	)	

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DEPOSITION OF  
ANTHONY M. BRACCO  
CPA/CFF/CGMA, CFE, CVA  
Thursday, January 18, 2024

Reported by:  
BRIDGET LOMBARDOZZI,  
CSR, RMR, CRR, CLR  
Job No. 230118BLO

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10:42:49 1 specifically, they track expenses by job.

10:42:54 2 Q. Okay. And so you would look at the  
10:42:56 3 contract that went along with the specific  
10:42:58 4 job?

10:42:59 5 A. I mean, in that case we looked at what  
10:43:00 6 they reported on their financial statements.

10:43:02 7 Q. Okay.

10:43:02 8 A. Which were, you know, signed off by an  
10:43:07 9 independent public accounting firm.

10:43:09 10 Q. In each of those jobs there was a  
10:43:11 11 contract that set out the specifics of that  
10:43:13 12 job?

10:43:14 13 A. There would have been, yes.

10:43:19 14 Q. Okay. And so you were able to match up  
10:43:21 15 essentially one job to one set of expenses?

10:43:28 16 A. Yes, because contractors are required to  
10:43:29 17 report that information in their financial  
10:43:33 18 statements. So, therefore, they track their  
10:43:35 19 expenses in that manner.

10:43:37 20 Q. Okay. And are you aware that  
10:43:38 21 institutional sales in this case involve the sale  
10:43:42 22 of XRP pursuant to contracts?

10:43:44 23 MS. SMITH: Objection to  
10:43:44 24 form.

10:43:51 25 A. That is my understanding.

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10:43:52 1 Q. Okay. And did you endeavor to look at  
10:43:54 2 the expenses that went along with each of those  
10:43:57 3 contracts?

10:44:00 4 A. No. Ripple doesn't track expenses on a  
10:44:03 5 contract-by-contract basis.

10:44:06 6 Q. How do you know?

10:44:07 7 A. I asked.

10:44:08 8 Q. Okay. And what was the answer you  
10:44:09 9 got?

10:44:10 10 A. That they don't track expenses by  
10:44:13 11 revenue source.

10:44:14 12 Q. Okay. And so how did that cause a  
10:44:17 13 change in methodology for you -- from what you  
10:44:19 14 employed in some of your other ill-gotten gains  
10:44:21 15 cases?

10:44:28 16 A. So if you don't -- and this is, again --  
10:44:30 17 the tracking of expenses by revenue source is sort  
10:44:34 18 of specific and very unique to construction. But  
10:44:37 19 in most businesses they don't track expenses by  
10:44:42 20 revenue source, so it's not uncommon to have to  
10:44:44 21 develop a reasonable methodology for estimating  
10:44:47 22 the expenses related to the revenue. And so  
10:44:53 23 that's what I did.

10:44:54 24 Q. Okay. In the other engagements in which  
10:44:56 25 you've determined ill-gotten gains and legitimate

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10:45:00 1 business expenses, did you have subjects that you  
10:45:06 2 were writing about that did not track expenses by  
10:45:08 3 the particular conduct that was alleged to be the  
10:45:11 4 legal problem?

10:45:11 5 MS. SMITH: Objection to  
10:45:11 6 form.

10:45:12 7 A. I don't really understand that question.

10:45:14 8 Q. Let me try it again. That's fair.

10:45:15 9 A. Sure.

10:45:16 10 Q. You mentioned that in your B & G case,  
10:45:18 11 there were certain jobs that were at issue in the  
10:45:23 12 case, correct?

10:45:24 13 A. Yes.

10:45:24 14 Q. And that there were certain expenses  
10:45:26 15 that went along with those jobs.

10:45:28 16 A. Yes.

10:45:29 17 Q. Have you had other engagements other  
10:45:30 18 than this one in which the expenses were not  
10:45:32 19 matched in the same way they were at B & G with  
10:45:36 20 particular conduct or particular jobs?

10:45:50 21 A. Yes. Most companies do not -- most  
10:45:52 22 companies that I've worked with and cases I've  
10:45:54 23 worked with are for companies that do not track  
10:45:57 24 expenses by revenue source.

10:45:59 25 Q. Okay. Any of the engagements that you

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1 STATE OF NEW YORK )

2 ) ss:

3 COUNTY OF NEW YORK )

4 I hereby certify that the witness in the  
5 foregoing deposition, ANTHONY M. BRACCO, was by me duly  
6 sworn to testify to the truth, the whole truth and  
7 nothing but the truth, in the within-entitled cause;  
8 that said deposition was taken at the time and place  
9 herein named; and that the deposition is a true record  
10 of the witness's testimony as reported by me, a duly  
11 certified shorthand reporter and a disinterested person,  
12 and was thereafter transcribed into typewriting by  
13 computer.

14 I further certify that I am not interested in  
15 the outcome of the said action, nor connected with nor  
16 related to any of the parties in said action, nor to  
17 their respective counsel.

18 IN WITNESS WHEREOF, I have hereunto set my  
19 hand this 22nd day of January 2024.

20 Reading and Signing was:


21 \_\_\_ requested \_\_\_ waived  X  not discussed.

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BRIDGET LOMBARDOZZI, CSR, RMR, CRR