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CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	19 Civ. 9439 (PKC)
- against -	)	
	)	
TELEGRAM GROUP INC. and	)	
TON ISSUER INC.,	)	
	)	
Defendants.	)	
	)	

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\*\*CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER\*\*

Videotaped deposition of PAVEL DUROV (as 30(b)(6) corporate representative of Defendants and also in his personal capacity), Volume 1, taken on behalf of Plaintiff at HadeF & Partners, LLC, Emaar Square, Building 3, Level 5, Downtown Dubai, Dubai, United Arab Emirates, beginning at 11:21 a.m. and ending at 9:54 p.m., on Tuesday, January 7, 2020, before LEAH WILLERSDORF, Member of the British Institute of Verbatim Reporters, Accredited Verbatim Reporter, Qualified Realtime Reporter - Level 2, International Participating Member NCRA.

JOB No. 200107LWI

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
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Plaintiff,	)	
	)	19 Civ. 9439 (PKC)
- against -	)	
	)	
TELEGRAM GROUP INC. and	)	
TON ISSUER INC.,	)	
	)	
Defendants.	)	
	)	

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\*\*CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER\*\*

Videotaped deposition of PAVEL DUROV (as 30(b)(6) corporate representative of Defendants and also in his personal capacity), Volume 2, taken on behalf of Plaintiff at HadeF & Partners, LLC, Emaar Square, Building 3, Level 5, Downtown Dubai, Dubai, United Arab Emirates, beginning at 10:23 a.m. and ending at 6:09 p.m., on Wednesday, January 8, 2020, before LEAH WILLERSDORF, Member of the British Institute of Verbatim Reporters, Accredited Verbatim Reporter, Qualified Realtime Reporter - Level 2, International Participating Member NCRA.

JOB No. 200108LWI

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11:52:40 1 platform.

11:52:40 2 BY MR. TENREIRO:

11:52:41 3 Q. A blogging platform?

11:52:44 4 A. Yes.

11:52:44 5 Q. And you're saying that is a part of  
11:52:46 6 Messenger but could also be used independently of  
11:52:49 7 Messenger; did I understand that correctly?

11:52:51 8 A. Correct. You don't have to be a user of  
11:52:53 9 Telegram Messenger to use Telegraph.

11:52:55 10 Q. Okay. Other than Telegram Messenger and  
11:52:56 11 Telegraph, in 2017 was Telegram Group Inc. offering  
11:53:02 12 any other platforms or applications?

11:53:25 13 A. I'm not sure. It could have but I'm not  
11:53:27 14 sure.

11:53:27 15 Q. Okay. And how many employees in 2017 did  
11:53:39 16 Telegram Group Inc. have?

11:53:54 17 A. We had about 25 to 30 employees in the  
11:54:01 18 core team. In addition, we used the services of  
11:54:05 19 hundreds of independent contractors.

11:54:10 20 Q. And today, how many employees does  
11:54:13 21 Telegram Group have?

11:54:17 22 A. I don't think those numbers changed  
11:54:20 23 meaningfully.

11:54:20 24 Q. Okay. And the core -- I think what you  
11:54:23 25 described as the core team of approximately 25, what

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11:54:27 1 do they do, generally speaking?

11:54:34 2 A. They write programming code.

11:54:37 3 Q. I'm sorry, they?

11:54:39 4 A. They write code.

11:54:40 5 Q. Programming code, okay.

11:54:41 6 Is this for Telegram Messenger and

11:54:43 7 Telegraph? Let's start with 2017. Is that the

11:54:47 8 programming code they were writing for -- I'm sorry,

11:54:49 9 that they were writing?

11:54:50 10 MR. DRYLEWSKI: Objection to form.

11:55:04 11 THE WITNESS: It depends on which part of

11:55:06 12 2017 we are talking about.

11:55:07 13 BY MR. TENREIRO:

11:55:07 14 Q. So let's talk about before the development

11:55:10 15 of the TON Blockchain.

11:55:13 16 A. Okay.

11:55:13 17 Q. Or the beginning of the development of the

11:55:15 18 TON Blockchain.

11:55:18 19 A. Yeah, I believe their efforts were mostly

11:55:20 20 focused on features, implementing features related

11:55:28 21 to Telegram Messenger, although we did have certain

11:55:37 22 experiments from time to time that not necessarily had

11:55:40 23 to do with Telegram Messenger directly.

11:55:43 24 Q. Okay. And today, this core team, what

11:55:47 25 applications or programs are they programming code

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11:55:52 1 for?

11:55:52 2 MR. DRYLEWSKI: Objection to form.

11:55:55 3 BY MR. TENREIRO:

11:55:56 4 Q. If any, I guess.

11:56:03 5 A. Those are the same applications, with the  
11:56:06 6 addition of the work on the TON Blockchain.

11:56:10 7 Q. Okay. Let me just get some background  
11:56:13 8 information on TON Issuer Inc. Again, what is  
11:56:16 9 TON Issuer Inc.?

11:56:20 10 MR. DRYLEWSKI: And to the extent it's not  
11:56:22 11 clear, I'm objecting to this line of questioning as  
11:56:24 12 beyond the scope of the 30(b)(6) topics agreed and  
11:56:27 13 narrowed by the parties.

11:56:28 14 MR. TENREIRO: Understood.

11:56:52 15 THE WITNESS: TON Issuer Inc. is a legal  
11:56:57 16 entity created for the purpose of conducting the  
11:57:17 17 private placement and issuing Grams at the time of  
11:57:22 18 launch of the TON Blockchain.

11:57:26 19 BY MR. TENREIRO:

11:57:27 20 Q. And who owns TON Issuer Inc.? Is it  
11:57:31 21 100 percent owned by Telegram Group Inc.?

11:57:33 22 A. It is.

11:57:38 23 Q. Does it have any employees separate than  
11:57:41 24 the 25 or so core employees that Telegram Group Inc.  
11:57:44 25 has, plus the contractors, or are they the same ones?

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11:58:04 1 A. I think there are certain employees that  
11:58:08 2 have dual roles and act as employees of both Telegram  
11:58:17 3 Group Inc. and -- or other Telegram-related entities,  
11:58:23 4 such as Telegram FZ LLC --

11:58:32 5 (Reporter clarification.)

11:58:37 6 THE WITNESS: -- and the role in  
11:58:43 7 TON Issuer Inc. in a different capacity, whether there  
11:58:51 8 are any employees that TON Issuer Inc. employs that  
11:58:58 9 are not at the same time, that do not have any role at  
11:59:01 10 other Telegram-related entities? I'm not sure. There  
11:59:08 11 could be but it would be very few people, if there are  
11:59:14 12 any.

11:59:14 13 BY MR. TENREIRO:

11:59:15 14 Q. Okay. And what's your title at Telegram  
11:59:18 15 Group Inc.?

11:59:18 16 MR. DRYLEWSKI: This is obviously  
11:59:19 17 a question in his personal capacity.

11:59:21 18 MR. TENREIRO: Yes.

11:59:23 19 THE WITNESS: I believe I'm the director  
11:59:24 20 of the company.

11:59:25 21 BY MR. TENREIRO:

11:59:25 22 Q. And who's the CEO?

11:59:33 23 A. I think that in the jurisdiction where  
11:59:39 24 TON Issuer Inc. is incorporated, the term "CEO" may  
11:59:43 25 not be necessarily applicable --

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11:59:46 1 Q. Sorry, I don't mean to interrupt you but  
11:59:48 2 I'm just talking about Telegram Group Inc.

11:59:50 3 A. Ah, you were talking about Telegram  
11:59:53 4 Group Inc.

11:59:53 5 Q. Yes.

11:59:54 6 A. I act as the CEO of Telegram Group Inc.

11:59:56 7 Q. Has that changed at any time since the  
11:59:59 8 existence of Telegram Group Inc.? Has there been any  
12:00:01 9 other CEO?

12:00:02 10 A. No, I don't think so.

12:00:02 11 Q. Okay. Now, you -- now, TON Issuer Inc.,  
12:00:06 12 who is the CEO, if any?

12:00:15 13 A. Although, to supplement my previous  
12:00:16 14 answer, I think I have to point out that Telegram  
12:00:22 15 Group Inc. was -- I think it has been renamed at  
12:00:26 16 a certain point in time. It had a different name  
12:00:30 17 a few years ago, and before it got renamed to Telegram  
12:00:36 18 Group Inc. it may have had a different director, but  
12:00:41 19 at that point in time it was not related to the  
12:00:43 20 operations of Telegram, so it may not be relevant.

12:00:47 21 I just want to clarify that.

12:00:52 22 Would you mind repeating your last  
12:00:53 23 question?

12:00:54 24 BY MR. TENREIRO:

12:00:54 25 Q. Yes. But before I do so, just the last



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12:00:56 1 thing you said, it was not related to the operations  
12:00:58 2 of Telegram, you mean Telegram Messenger?

12:00:59 3 A. Yes.

12:01:00 4 Q. Right, okay. I just want to be clear  
12:01:03 5 because when I say "Telegram," I'm talking about the  
12:01:06 6 companies, but you seem to say "Telegram" to relate to  
12:01:10 7 Messenger and that's fine, I just want to make sure  
12:01:12 8 we understand what we're saying.

12:01:13 9 When you talk about Telegram, are you  
12:01:15 10 talking about Messenger? Is that how you think  
12:01:18 11 about it?

12:01:20 12 A. Yeah, I use it in the same way a consumer  
12:01:29 13 would use this name, and they would mainly refer to  
12:01:35 14 the messaging application.

12:01:36 15 Q. As "Telegram"?

12:01:38 16 A. Yes.

12:01:38 17 Q. Right, okay. So my prior question was  
12:01:43 18 TON Issuer Inc., who was the CEO today and who has it  
12:01:46 19 been for its existence, if any?

12:01:50 20 A. I am the director of this company.  
12:01:59 21 As I started to explain, I don't believe the term  
12:02:06 22 "CEO" is necessarily applicable for the legal entities  
12:02:13 23 incorporated in the jurisdiction where these companies  
12:02:16 24 are incorporated.

12:02:21 25 But being the sole director is basically

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12:06:31 1 of these entities owned the IP for Telegram Messenger?

12:06:34 2 MR. DRYLEWSKI: Same objection; scope.

12:06:50 3 THE WITNESS: If I had to guess, at least  
12:06:51 4 some of the IP may have been held by Telegram  
12:06:56 5 Messenger LLP. That's the left bottom part.

12:07:00 6 BY MR. TENREIRO:

12:07:01 7 Q. A UK entity?

12:07:03 8 A. Yes.

12:07:03 9 Q. Okay. Just describe in your own words  
12:07:07 10 what is Telegram Messenger. You have talked about it  
12:07:11 11 a little bit more but just give me a general  
12:07:14 12 description of it.

12:07:25 13 A. It is a social media application  
12:07:28 14 supporting a wide range of use cases. It allows its  
12:07:33 15 users to communicate privately and in groups to do  
12:07:46 16 Voice over IP voice calls, to host large communities  
12:07:52 17 and publish broadcasts. It also allows users to  
12:08:11 18 create apps that are called bots. It also allows  
12:08:17 19 users to run polls, to share videos and voice  
12:08:32 20 messages, to view contents of certain URLs and news  
12:08:39 21 stories in a private way without running the risk of  
12:08:45 22 being surveilled.

12:08:51 23 There are -- there's a wide range of use  
12:08:56 24 cases because Telegram is a multipurpose application.

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12:11:06 1 the world as Telegram Messenger does are the messaging  
12:11:13 2 apps owned by Facebook Corporation.

12:11:17 3 Q. WhatsApp?

12:11:20 4 A. WhatsApp and other services run by  
12:11:23 5 Facebook, yeah.

12:11:25 6 Q. Okay. How many subscribers does Telegram  
12:11:31 7 have today, approximately?

12:11:34 8 MR. DRYLEWSKI: Objection; scope.

12:11:42 9 THE WITNESS: "Subscribers" can be  
12:11:47 10 a vaguely defined term, but if we use the metric that  
12:11:53 11 is typically used in our industry, which is monthly  
12:12:01 12 active users, I would say that Telegram has by now  
12:12:09 13 about 300 million monthly active users.

12:12:13 14 BY MR. TENREIRO:

12:12:13 15 Q. What about at the end of 2017, how many  
12:12:15 16 monthly active users did Telegram have?

12:12:18 17 MR. DRYLEWSKI: Objection; scope.

12:12:29 18 THE WITNESS: It's hard to tell. Based on  
12:12:31 19 my recollection, it was somewhere around 180 million  
12:12:36 20 users, depending on the month.

12:12:39 21 BY MR. TENREIRO:

12:12:39 22 Q. Okay. And who hosts the servers for  
12:12:44 23 Telegram Messenger?

12:12:44 24 MR. DRYLEWSKI: Objection; scope.

12:12:57 25 THE WITNESS: Would you mind clarifying

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12:13:00 1 the question?

12:13:02 2 BY MR. TENREIRO:

12:13:03 3 Q. Who has control of the servers?

12:13:05 4 MR. DRYLEWSKI: Same objection.

12:13:16 5 THE WITNESS: Our team has full control  
12:13:17 6 over the servers.

12:13:19 7 BY MR. TENREIRO:

12:13:19 8 Q. Okay. And Telegram Messenger, when did it  
12:13:23 9 -- when did -- who created it? Who created that app?

12:13:38 10 A. It was created by a subset of the  
12:13:44 11 engineers and managers that are still working at  
12:13:48 12 Telegram.

12:13:49 13 Q. Does that include you?

12:13:50 14 A. Yes.

12:13:51 15 Q. Okay. Whose idea was it?

12:13:54 16 MR. DRYLEWSKI: Objection; form.  
12:13:56 17 Objection; scope.

12:14:02 18 THE WITNESS: I believe it was my idea.

12:14:03 19 BY MR. TENREIRO:

12:14:04 20 Q. Okay. And when -- more or less, when was  
12:14:08 21 it created?

12:14:17 22 A. I believe we started working on this  
12:14:21 23 technology in early 2012 and we launched it publicly  
12:14:34 24 somewhere around August 2013.

12:14:39 25 Q. From August 2013 approximately to today,

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12:18:52 1 MR. TENREIRO: Great.

12:18:53 2 MR. DRYLEWSKI: -- that we're going to hand  
12:18:54 3 to the witness and to you, if there's no objection.

12:18:57 4 MR. TENREIRO: Why don't we just hold off  
12:19:00 5 for a second. I'm going to go off this topic and when  
12:19:03 6 I come back, you can, if that's okay?

12:19:05 7 MR. DRYLEWSKI: Fine.

12:19:05 8 BY MR. TENREIRO:

12:19:06 9 Q. Let me just take a step back before we get  
12:19:08 10 into the breakdown, Mr. Durov.

12:19:10 11 Does Telegram charge its users for either  
12:19:14 12 downloading or using the app in any way?

12:19:16 13 MR. DRYLEWSKI: Objection; scope.

12:19:17 14 THE WITNESS: It does not.

12:19:19 15 BY MR. TENREIRO:

12:19:20 16 Q. Has it ever?

12:19:20 17 MR. DRYLEWSKI: Same objection.

12:19:27 18 THE WITNESS: No.

12:19:27 19 BY MR. TENREIRO:

12:19:27 20 Q. Okay.

12:19:30 21 Up until the time -- from August 2013  
12:19:33 22 until the time of the offering or the raising of funds  
12:19:36 23 that's at issue in this litigation, how did  
12:19:39 24 Telegram -- from what sources did Telegram fund its  
12:19:41 25 operations?

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12:19:41 1 MR. DRYLEWSKI: Same objection.

12:19:59 2 THE WITNESS: The source was my personal  
12:20:07 3 savings that resulted from the sale of the previous  
12:20:13 4 company I started and eventually sold. That was the  
12:20:21 5 largest social network on the post-Soviet space, and  
12:20:28 6 I managed to sell it at the right time.

12:20:32 7 BY MR. TENREIRO:

12:20:33 8 Q. I might pronounce the name wrong and,  
12:20:36 9 if so, I apologize. Is this VKontakte?

12:20:39 10 A. Yes. We can refer to it as VK.

12:20:41 11 Q. You refer to it as VK, okay.

12:20:44 12 A. Yes.

12:20:44 13 Q. All right. So the proceeds from your sale  
12:20:48 14 of VK is some of the funds that you used to fund the  
12:20:53 15 operations of Telegram from August 2013, at least  
12:20:57 16 until end of 2017; is that correct?

12:20:59 17 MR. DRYLEWSKI: Objection; scope.

12:21:21 18 THE WITNESS: Well, I definitely used  
12:21:23 19 those funds to support the growth of our servers up  
12:21:39 20 until 2018. I may have used some of the funds after  
12:21:47 21 that, because typically I wouldn't separate my  
12:22:07 22 personal savings from the needs of Telegram Messenger  
12:22:10 23 in the sense of if I see that Telegram needs more  
12:22:17 24 resources, I would happily invest more because  
12:22:27 25 I'm a person that prefers not to own any real estate

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12:28:11 1 to understand a little bit. Because you said earlier  
12:28:13 2 that it's possible you might have continued to spend  
12:28:15 3 some of your own savings after the private placement  
12:28:18 4 happened, so I just want to make sure I understand  
12:28:20 5 exactly what the 218 million is.

12:28:22 6 A. Yeah.

12:28:23 7 Q. So the question is, is the 218 million all  
12:28:26 8 of the expenditures that Telegram has had in that time  
12:28:30 9 period, or is it only the amount that has been spent  
12:28:34 10 from the private placement?

12:28:36 11 A. Ah, now I understand your question.  
12:28:40 12 Those are all the expenditures. Those are all the  
12:28:53 13 expenditures that we had.

12:28:54 14 Q. Those are all the expenditures, okay.  
12:28:57 15 And is it your -- I'm sorry.

12:28:59 16 A. But I have maybe to clarify my last answer  
12:29:02 17 a little bit. There may have been certain additional  
12:29:10 18 expenses. For example, when I paid for the rental  
12:29:27 19 costs or the travel costs for my team, I would  
12:29:34 20 typically cover those from my personal accounts, but  
12:29:41 21 those were related to Telegram, not to myself  
12:29:43 22 personally, and in that sense there may have been  
12:29:48 23 certain other expenses, but I think it would be fair  
12:29:53 24 to say that the majority of expenses are stated here.

12:29:59 25 Q. Can you do better than "the majority"?

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12:30:03 1 Is it the overwhelming majority of expenses?

12:30:06 2 A. I would say it is the vast majority; it  
12:30:10 3 should be way over 90 percent of expenses.

12:30:12 4 Q. Okay, thank you. And what I'm seeing --  
12:30:18 5 what does "Equipment" mean? What does that refer to?

12:30:26 6 A. "Equipment" refers to the servers and  
12:30:32 7 routers and other networking equipment that we would  
12:30:37 8 buy to host the operations of both Telegram and TON.

12:30:53 9 Q. Do you use the same equipment to host the  
12:31:00 10 operations of Telegram and TON, or is it separate  
12:31:02 11 equipment?

12:31:19 12 A. We used most equipment -- we use --  
12:31:22 13 I'm sorry. We use the same equipment in most cases.

12:31:24 14 Q. The same equipment, okay. And what's  
12:31:27 15 "Traffic Hosting Fees"?

12:31:38 16 A. I think it's important to clarify that  
12:31:41 17 unlike certain other internet services, Telegram  
12:31:51 18 doesn't use -- or doesn't rely only on the help of  
12:32:08 19 cloud-hosting platforms, such as AWS, to maintain its  
12:32:17 20 operations, and, like, the vast majority of servers  
12:32:26 21 that we use is owned by ourselves, and since we own  
12:32:34 22 it, this equipment, ourselves we also have to pay to  
12:32:44 23 internet providers, you know, providers of telecoms,  
12:32:49 24 providers of connectivity to be able to make sure that  
12:32:57 25 our servers are accessible by our users globally.



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12:33:03 1 Q. And so is that traffic hosting fees, just  
12:33:06 2 to get an answer to my question?

12:33:07 3 A. Yes.

12:33:08 4 Q. Okay, thanks.

12:33:09 5 So what I'm seeing from page 1 is that  
12:33:12 6 approximately 41 percent of costs were spent on  
12:33:19 7 equipment between January 2018 and January 2019, and  
12:33:23 8 then 38 percent in the next page, which you said is up  
12:33:29 9 to November 2019, correct?

12:33:30 10 A. Yeah.

12:33:31 11 Q. Okay. So is it fair to say that  
12:33:34 12 approximately 40 percent of the expenses of Telegram  
12:33:37 13 are in equipment?

12:33:37 14 A. That is fair.

12:33:38 15 Q. Okay. And why have you never charged  
12:33:41 16 users a fee for using Telegram?

12:33:44 17 MR. DRYLEWSKI: Objection; scope.

12:34:09 18 THE WITNESS: We have a very long-term  
12:34:11 19 vision for Telegram and we have been focused on  
12:34:14 20 growth, and the ways our service can be used by more  
12:34:34 21 and more people, we thought that charging a fee could  
12:34:39 22 have been detrimental to growth.

12:34:50 23 As you may know, none of the other  
12:34:54 24 competing messaging apps are charging fees from their  
12:34:58 25 users, with the exception of really small niche ones,

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12:35:05 1 and I would say it wouldn't be sensible, commercially  
12:35:11 2 and strategically, to start charging users.

12:35:15 3 BY MR. TENREIRO:

12:35:15 4 Q. You would say it would or would not be?

12:35:18 5 MR. DRYLEWSKI: I think he said "would not  
12:35:19 6 be."

12:35:20 7 MR. TENREIRO: Okay, because I saw  
12:35:22 8 "would," that's why I was clarifying.

12:35:25 9 THE WITNESS: Thank you.

12:35:26 10 BY MR. TENREIRO:

12:35:26 11 Q. It would not be, okay.

12:35:29 12 Up until the end of December 2017, since  
12:35:32 13 it was not charging fees, was Telegram generating any  
12:35:36 14 other sources of revenue, such as ads or anything  
12:35:39 15 else?

12:35:39 16 MR. DRYLEWSKI: Objection; scope.

12:35:52 17 THE WITNESS: We contemplated several  
12:35:54 18 potential revenue streams for Telegram and we  
12:35:58 19 considered that the ad-driven monetization could be  
12:36:09 20 very profitable; however, since we are a small team  
12:36:29 21 and limited in the resources that we have available  
12:36:31 22 in terms of talent and time, we decided to focus on  
12:36:44 23 other projects and return to these other potential  
12:37:08 24 revenue streams -- I mean the consideration or the  
12:37:11 25 implementation of those -- sometime later in the

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12:47:26 1 from the question whether you can ask the questions.

12:47:28 2 MR. TENREIRO: Our position is these  
12:47:29 3 questions about the use of the private placement funds  
12:47:31 4 are within the scope of 26 and 27, and within the  
12:47:34 5 scope of what Judge Castel allowed us to ask yesterday  
12:47:40 6 as a 30(b)(6) witness.

12:47:40 7 MR. DRYLEWSKI: We are going to reserve  
12:47:41 8 our rights to object to that characterization.  
12:47:44 9 But there is no need to bog this down. You can ask  
12:47:48 10 the questions, the witness is going to answer them,  
12:47:48 11 and if we have a dispute later about whether that was  
12:47:50 12 within or without the scope of these topics, we can  
12:47:53 13 discuss it then.

12:47:54 14 MR. TENREIRO: Fair enough.

12:47:55 15 BY MR. TENREIRO:

12:47:55 16 Q. Mr. Durov, so how much money has Telegram  
12:47:59 17 spent since October -- since the letter to the  
12:48:01 18 investors to today on equipment for the TON Blockchain  
12:48:07 19 specifically?

12:48:08 20 MR. DRYLEWSKI: Objection; scope.

12:48:10 21 MR. TENREIRO: And, again, I disagree that  
12:48:13 22 this is outside of the scope. This is squarely within  
12:48:15 23 the scope of 26 and 27.

12:48:17 24 MR. DRYLEWSKI: Same response.

12:48:29 25 THE WITNESS: Well, due to the fact that

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12:48:31 1 we use the same equipment and same suppliers for  
12:48:35 2 equipment for both Telegram Messenger and TON,  
12:48:45 3 it's hard to make this distinction.

12:48:57 4 I would assume it's -- well, it's fair to  
12:49:10 5 say that a substantial part of the equipment costs  
12:49:29 6 supported Telegram Messenger because Telegram is a  
12:49:44 7 large, popular service; however, we did use a lot of  
12:49:52 8 equipment for TON, you know, to be able to stress-test  
12:50:01 9 it properly and also in order to stress-test the new  
12:50:23 10 applications for TON that we are currently working on.

12:50:28 11 BY MR. TENREIRO:

12:50:28 12 Q. How much money has been spent in equipment  
12:50:31 13 since October 2019?

12:50:32 14 MR. DRYLEWSKI: And we'll just reserve our  
12:50:35 15 respective rights on all of this, okay. I don't want  
12:50:39 16 to bog you down.

12:50:40 17 MR. TENREIRO: Okay.

12:50:53 18 THE WITNESS: Well, my estimate would be  
12:51:08 19 around -- somewhere around \$10 million about.

12:51:15 20 BY MR. TENREIRO:

12:51:15 21 Q. Okay. And if you wanted to -- I'm sorry.  
12:51:18 22 Were you finished?

12:51:20 23 A. Or slightly less. I mean, I think it's  
12:51:22 24 possible that we spent that amount of money.

12:51:23 25 Q. Okay. If you wanted to get not an

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12:58:33 1 expenses, so ...

12:58:34 2 Q. Okay. So the more substantial share is  
12:58:38 3 the core team, what you've described as the core team?

12:58:40 4 A. Correct.

12:58:41 5 Q. Okay. But the core team also includes  
12:58:44 6 coders and programmers, right?

12:58:47 7 A. That's right.

12:58:47 8 Q. Okay. And today, do the coders and  
12:58:52 9 programmers work on both Telegram Messenger and  
12:58:56 10 TON Blockchain, or do some do only one? How is that  
12:59:00 11 broken up?

12:59:07 12 A. So the engineers we employ are high-scale,  
12:59:13 13 multifaceted professionals that are used to work on  
12:59:27 14 a wide range of tasks and projects, and I would say  
12:59:37 15 that pretty much the entire team, the entire  
12:59:45 16 engineering team, has been involved in the development  
12:59:47 17 of TON and its applications.

12:59:53 18 Q. But also Telegram Messenger, at least at  
12:59:56 19 various times; is that correct?

12:59:57 20 A. Yes.

12:59:57 21 Q. Okay. Let me just ask you one more before  
13:00:04 22 we go off the record. The logo for Telegram is  
13:00:08 23 a little paper airplane; is that correct?

13:00:11 24 A. That's right.

13:00:11 25 Q. Okay. And do you have copyright over that

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13:03:14 1 it's logical to assume that we have tried to register  
13:03:24 2 the logo in most developed countries and significant  
13:03:34 3 markets in order not to have bad actors trying to scam  
13:03:42 4 users into believing they're downloading the messaging  
13:03:52 5 app that we created.

13:03:55 6 MR. TENREIRO: Okay. Good time to go off?

13:03:57 7 MR. DRYLEWSKI: Yes.

13:03:57 8 MR. TENREIRO: Let's go off the record.

13:04:00 9 THE WITNESS: Okay, thank you.

13:04:01 10 THE VIDEOGRAPHER: We are going off the  
13:04:02 11 record. The time is 1:03.

13:04:04 12 (Lunch break taken.)

13:53:32 13 THE VIDEOGRAPHER: We are back on record.  
13:53:34 14 The time is 1:52.

13:53:36 15 MR. TENREIRO: Thank you.

13:53:37 16 BY MR. TENREIRO:

13:53:37 17 Q. Mr. Durov, at some point -- I'm sorry,  
13:53:41 18 are you ready to proceed?

13:53:42 19 A. Yes.

13:53:42 20 Q. Okay, sorry.

13:53:44 21 At some point in 2017 and 2018, Telegram  
13:53:47 22 raised funds from investors; is that correct?

13:53:49 23 A. Yes.

13:53:49 24 Q. And how much money was raised?

13:54:09 25 A. Well, as a result of the private placement