## **EXHIBIT 2**

#### PMI v. RJR EDVa Trial



#### Figlar, James (Vol. 01) - 06/24/2021

1 CLIP (RUNNING 00:04:55.711)



🖺 Figlar,J\_062421\_ALL\_TRIMMED

#### JF-ALL2-FINAL

#### 15 SEGMENTS (RUNNING 00:04:55.711)



#### 1. PAGE 6:20 TO 6:21 (RUNNING 00:00:00.810)

- Can you please just state your 21 full name and address for the record.
- 2. PAGE 6:22 TO 6:22 (RUNNING 00:00:01.549)
  - James Neil Figlar. I'm currently
- 3. PAGE 7:03 TO 7:05 (RUNNING 00:00:08.690)
  - Q. And who's your employer?
  - 04 Α. My employer was R.J. Reynolds. I
  - 05 retired just late last year at the end of 2020.
- 4. PAGE 132:21 TO 133:01 (RUNNING 00:00:06.427)
  - Does Reynolds keep track of Philip 22 Morris and Altria patents? 00133:01 Α. Yes.
- 5. PAGE 133:03 TO 133:10 (RUNNING 00:00:24.592)
  - And not to just -- yes, Altria, we
  - 04 look at the full patent landscape, depending on
  - the category. So, S'mores in there, NJoy, all 0.5
  - the big players, all the manufacturers, we keep
  - 07 a close eye on the patent literature, and it's
  - 08 very active. Reynolds has lots of patents as
  - 09 well. So, I mean, we're all active in patenting
  - 10 technology.
- 6. PAGE 133:11 TO 133:13 (RUNNING 00:00:06.237)
  - So Reynolds was aware of all the
  - 12 patents asserted in this case before the case
  - 13 was filed then, correct?

#### 7. PAGE 133:16 TO 134:02 (RUNNING 00:00:29.455)

- I mean, in terms of the -- the
- specific ones, probably so. We've probably seen 17
- 18 them. We've probably seen all of these patents,
- 19 yeah.
- 2.0 These specific patents you mean?
- 21 In all likelihood they were known
- 22 to or had been seen by people at Reynolds.
- 00134:01 How many people at Reynolds review Ο. 02 competitor patents?

#### 8. PAGE 134:05 TO 134:17 (RUNNING 00:00:42.576)

- I don't know how many people are 05 Α.
- 06 actively doing it on a daily basis, but you have
- 07 part of Reynolds' legal team looks at that.
- 08 know we have at least two lawyers that are 09 in-house lawyers for Reynolds that are in
- 10 patents. And then plus we have outside counsel
- 11 that provides information.
- And then typically what happens,



Case Clip(s) Detailed Report Wednesday, June 08, 2022, 7:31:01 PM

#### PMI v. RJR EDVa Trial

- and what used to happen at least on a monthly basis, is every time there's a new iteration of patent publications, the lawyers would compile it and send it out to the scientists and people
- 17 like myself and others --

#### 9. PAGE 135:06 TO 135:15 (RUNNING 00:00:23.320)

Of A. There is a process and an email
Of goes out and you have the opportunity to open up
that file and look at all the patents that have
issued in that month by all the competitors in
the category. And that's all it is, just an
information sharing exercise, is what I'm
talking about.
Q. Understood. Who sends out that
email?

A. In-house, in-house counsel.

#### 10. PAGE 137:06 TO 137:08 (RUNNING 00:00:09.512)

06 Q. Who received this email? 07 A. Most -- a lot of people in R&D 08 working on technology.

#### 11. PAGE 137:14 TO 137:22 (RUNNING 00:00:27.488)

Q. And this is just something the legal team would just send out on their own every month?

A. I mean, it was simply just what published in the US Patent and World Patent literature on that basis, based on our product category. So it was literally the abstracts of the patents.

Q. Okay. And why would they send it?

#### 12. PAGE 138:07 TO 139:05 (RUNNING 00:01:00.775)

Again, this is not an evaluation. 08 This is simply -- it was like broadcast news. 09 Here's what came out of the patent offices, WTO 10 and US Patent Office. Here are the abstracts, 11 here's the categories. Our patents would be in 12 there and everybody else in the industry is what I'm talking about. 13 So on a quarterly basis you would 14 15 get this report. It was just a compilation of 16 the abstracts of the patents, so that people had 17 an awareness of what was happening in the 18 business. 19 I mean, a lot of them, most of the 20 patents actually is about how to make a better 21 cigarette maker, how to make a new flywheel spin 22 faster for cigarette makers and things like 00139:01 that, but it covered the whole category. So 02 that's how you become aware of what's happening 0.3 from a patent perspective. 04 Ο. And why do you think this email

#### 13. PAGE 139:10 TO 139:16 (RUNNING 00:00:27.025)

was circulated within Reynolds?

05

10 A. Again, it is information as a 11 technology development company you need to be 12 aware of. Where are people, what are we getting 13 cleared, what are people doing? It's a good 14 place to get ideas on where the industry is 15 going, where technology is going. It's



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- 16 important to be up to date on patents.
- 14. PAGE 213:14 TO 213:15 (RUNNING 00:00:07.071)
  - 14 Q. How much money do you estimate
  - 15 Reynolds spent on the PMTA for the Alto?
- 15. PAGE 214:02 TO 214:07 (RUNNING 00:00:20.184)
  - 02 A. Okay. In terms of our overall
  - 03 budget over the course of the last five years,
  - ${\tt 04}\,$  it has been in the hundreds of millions of
  - 05 dollars for all of Vuse products. So a portion
  - 06 of that, certainly tens of millions. Tens of
  - 07 millions for Alto, for sure.

TOTAL: 1 CLIP FROM 1 DEPOSITION (RUNNING 00:04:55.711)



#### PMI v. RJR EDVa Trial



#### Figlar, James (Vol. 01) - 06/03/2022

1 CLIP (RUNNING 00:01:46.880)



🖺 Figlar,J\_060322\_ALL\_TRIMMED

#### JF-ALL4-FINAL

#### 9 SEGMENTS (RUNNING 00:01:46.880)



#### 1. PAGE 30:10 TO 30:16 (RUNNING 00:00:17.521)

Q And as you sit here today, your best 11 recollection as of the end of 2020 is Reynolds 12 spent, you know, 10- to \$20 million on the Ciro, 13 Vibe, and Alto PMTAs --A Each. 14 15 O -- is that fair? 16 A Each.

#### 2. PAGE 56:20 TO 57:02 (RUNNING 00:00:09.680)

Q I'm just asking you that -- just 21 confirming, the Ciro, the Vibe, and the Solo, 22 those have all been cleared for sale by the FDA, 00057:01 correct? 02 A Correct. Alto has not, that is correct.

#### 3. PAGE 58:12 TO 58:15 (RUNNING 00:00:10.655)

- Now, if the FDA decides it's not going to 13 clear the Alto for sale in the U.S., then Reynolds 14 will have to take that product off the market, 15 correct?

#### 4. PAGE 58:18 TO 58:18 (RUNNING 00:00:02.715)

A That would be the law, correct.

#### 5. PAGE 60:01 TO 60:03 (RUNNING 00:00:07.749)

Q So absent FDA authorization, Reynolds 02 cannot keep the Vuse products on the market, 03 correct?

#### 6. PAGE 60:06 TO 60:19 (RUNNING 00:00:42.346)

A No. No. They don't have authorization 07 now. They have the -- FDA has not rendered a 08 decision on Alto. The FDA says they will not 09 exercise enforcement discretion on products that 10 were legally sold in the United States if the 11 companies have submitted a lawful PMTA by the 12 deadline, September 2020. Reynolds did that so, therefore, the 13 14 agency is not going to exercise enforcement 15 discretion until they render a decision on the 16 application. They have not rendered a decision on 17 the application so, therefore, Reynolds can continue to sell that product until such a 18

#### 19 decision is made. 7. PAGE 65:13 TO 65:14 (RUNNING 00:00:04.998)

Q Would you consider the Vuse products in 14 this case successful products?

#### 8. PAGE 69:09 TO 69:09 (RUNNING 00:00:00.651)

09 A Yes.



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