

17· · · · Q· · By the way, remember when Mr. Mosler was on

18· ·the stand and he was saying he wanted you to buy the

19· ·company and he --

20· · · · A· · Yeah.

21· · · · Q· · -- basically wanted no ill will?· He talked

22· ·earlier about the fact that he sued you, but I want to

23· ·ask you:· ***Back then, in December of 2011, did Mr. Mosler***

24· ·***ever tell you that he'd be suing you?***

25· · · · A· · Yes· Yes, he did· As part of this sort of

·1· ·theme, he called me and said he's going to sue me into

·2· ·bankruptcy and all of this for everything· He did

·3· ·something like that· He threatened to sick his two

·4· ·in-house lawyers on me, something to that effect.

- Plaintiffs Exhibit #101 follows:

From: "Warren Mosler" <warren.mosler@gmail.com>
To: "Kelly Reagan" <klr@reaganlawoffices.com>
CC: "J. Todd Wagner" <j.todd.wagner@gmail.com>
Date: 12/16/2011 5:28 25 PM
Subject: Re: Correspondence on Behalf of Todd Wagner

Hi Kelly,

The reality is Todd has done quite a bit of damage to my name and my company and couldn't have been further 'out of bounds' with his actions. And now he's putting up conditions that are likely to block the sale of my company.

As for the agreements, Todd violated numerous aspects of the contract that long ago negated it.

Bottom line, Todd is exposed to a multi million dollar lawsuit, and these demands at the point of sale only add to his liability.

As I advised him, I believed his best move is to agree that he owes us nothing and we owe him nothing and move on.

And now that he's retained you to represent him, the end of my patience has been reached.

Please advise him that If he doesn't back off as of Monday, I'll be directing both of my in house attorneys to go after him to the maximum degree allowed by law, and for as long as it takes to bring him to justice.

Please advise him accordingly.

Warren Mosler

On Fri, Dec 16, 2011 at 3:48 PM, Kelly Reagan <klr@reaganlawoffices.com> wrote:
Please see the attached Confidential Settlement Proposal

Best,

Kelly Reagan

DEF008058

Florida Contact Information
The Law Offices of Kelly Reagan, P.A.
2255 Glades Road
Suite 324A

Boca Raton, Florida 33433
Phone: [561 988-2629](tel:5619882629)

Michigan Contact Information
The Law Offices of Kelly Reagan
100 West Big Beaver Road
Suite 200
Troy, Michigan 48064
Phone: [248 740-0352](tel:2487400352)

— Because we fear becoming the next Greece, we continue to turn ourselves into the next Japan

"The 7 Deadly Innocent Frauds"
<http://www.mcslereconomics.com/2009/12/10/7-deadly-innocent-frauds/>

"The most important book ever written". Elizabeth O'Tool, Jan 8, 2011

The 1998-2001 budget surplus was the longest surplus since the 1927-1930 surplus. Coincidence?

The financial sector is a lot more trouble than it's worth.

www.mcslereconomics.com
<http://twitter.com/wbmosler>

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DEF008059

Trial Testimony, Warren Mosler testifying pg 938 ln 12 - 20

12· . . . Q· And did you tell Mr. -- ***did you ever tell***

13· ***anyone that part of the deal for the purchase of Mosler***

14· ***assets was that Mr. Wagner would not be involved?***

15· . . . A· Well, what are you referring to here?

16· . . . Q· The last line on page 3.

17· . . . A· Oh, I see it. In fact, part of the

18· documentation for the sale of Mosler is that Todd is not

19· involved -- it must have been in some documentation at

20· the time to sell to somebody else.

- Snip#1 of 10-page Plaintiffs Exhibit #40 follows:

Now his mentor calls him a pest, his alleged business partners deny they're involved with him, and his exotic female singer friend is being ridiculed on the Internet.

This is a story of just how fast everything can go to hell.

- Snip#2 of 10-page Plaintiffs Exhibit #40 follows:

Mosler wants nothing to do with Wagner, whom he calls "a pest." The 62-year-old former bond trader and self-styled economist is selling his car company because he's no longer interested in producing automobiles and is instead out promoting his new economic theories from his home in the U.S. Virgin Islands.

- Snip#3 of 10-page Plaintiffs Exhibit #40 follows:

"In fact, part of the documentation [for the sale of Mosler] is that Todd is not involved," says Mosler.

- Snip#4 of 10-page Plaintiffs Exhibit #40 follows:

She believes her ex-husband was attempting to sell the car in order to buy the company, though she doesn't think Mosler would sell it to him.

- Snip#5 of 10-page Plaintiffs Exhibit #40 follows:

The man

I'm fully expecting an argument with Todd Wagner when I call him late last night. who've spoken with him describe him as a delusional con-man and I'd be confronted with the fact that, if his business is based on selling these cars, he probably doesn't business anymore.

Mostly he's just surprised and confused.

- Snip#6 of 10-page Plaintiffs Exhibit #40 follows:

Wagner calls me again a little before 5:00 AM Monday morning and leaves me a message, then calls me twice more saying that he wants to thank a few people. First on the list is Dave Houston, executive Producer of *The Car Show*, whom he credits with being helpful and kind through the whole process. He also wants to thank other designers/engineers who worked on projects at Mosler: Uriah Baet and Dave Keiffer. Then he calls again to say he wants to "thank all the guys at the factory for building such a high quality car."

I have a hard time imagining how anyone in his position would feel gracious.

Trial Testimony, Warren Mosler testifying pg 974 ln 2- 15

2 · · · · Q · Okay · Now, Mr. Savvas Savopoulos wrote to you
·3 · on December --
·4 · · · · · Actually, the first thing is James Wagner
·5 · said, on December 10, 2011, that a reply would be sent
·6 · out early next week · And the response from
·7 · Mr. Savopoulos to you was "Doesn't sound like he,"
·8 · meaning James Todd Wagner, "is happy. **Any pressure you**
·9 · **can put?"**
10 · · · · A · Yeah.
11 · · · · Q · Remember earlier I asked you in front of this
12 · jury whether or not you had been asked to put any
13 · pressure on James Todd Wagner to give up his rights?
14 · · · · **A · Right · Remember I asked if you had any**
15 · **documentation, so here it is.**

Trial Testimony, Warren Mosler testifying pg 2311 ln 7 – 11

·7 · · · · Q · Okay · He wanted you to **terminate Todd** --
·8 · · · · **A · Yes.**
·9 · · · · Q · -- try to get Todd to transfer the Raptor name
10 · to the company --
11 · · · · A · Yes.

11. . . . Q. · **You wanted to get Todd to transfer the name of**
12. · **the Raptor to the company**, terminate Todd. And part of
13. · that **terminating Todd was getting him to sign the**
14. · **agreement that said that the company owed him nothing,**
15. · correct?
16. . . . A. · That was him terminating Todd, not me
17. · terminating Todd. · This says I needed to --
18. . . . Q. · Do you remember the documentation --
19. . . . A. · No.
20. . . . Q. · -- in this -- okay. · That's in evidence.
21. **Who benefits from those things? · Who was**
22. · **released from the claims?**
23. . . . A. · The company -- the company that Savvas was
24. · buying, **MACC**, after it sold.
25. . . . Q. · MACC?
- 1. . . . A. · Yeah.
- 2. . . . Q. · Okay. · **That you owned at the time?**
- 3. . . . A. · At the time, that he was to buy.

8 · · · · Q · And he wrote "So most likely it will just be
·9· ·wound down further." Because Mr. Mosler had been trying
10· ·to sell MACC since 2010, and now the last serious buyer
11· ·had walked away.
12· · · · A · I was a serious buyer the entire time, **but he**
13· **kept blocking me from buying it.** Three times he blocked
14· ·me from buying it. The first time by gutting the
15· ·company, taking the engine out basically; and the second
16· time he agreed to the 500,000, and then he just changed
17· ·his mind and said his son was going to run it; and then
18· ·I offered him even more money, and he agreed to it, and
19· then he took all the assets out and **the only thing I**
20· **would know for sure I was buying is the liability from**
21· **his lawyer's insurance fraud.**
22· · · · · So, I was a serious buyer. He didn't want me
23· ·to buy it. He didn't want me to succeed in the wake of
24· ·his failure.

- Snip of Plaintiffs' Exhibit #26 follows:

As it stands now, it's sortof like the TV show Storage Wars:
Pay \$650,000 and open the box to see what's inside.

- Entirety of Plaintiffs' Exhibit #26 follows:

From: "James Todd Wagner" <j.todd.wagner@gmail.com>
To: "Alan Richard Simon" <alansimon@gmail.com>
CC: "Warren Mosler" <warren.mosler@gmail.com>
klr@reaganlawoffices.com
"Jacob Mosler" <mosler.jacob@gmail.com>
"Sylvia Klaker" <sklaker@moslerauto.com>
Date: 4/6/2012 1:02:46 PM
Subject: Re: Mosler Asset and Stock Sale Agreement 4-6-2012

Hi Alan & Sylvia,

There's no provision for inspecting the assets of the Corporation. I keep putting this back in, and it keeps disappearing. Is this an oversight? When I spoke to Sylvia on the phone, I mentioned this having disappeared on Alan's initial work, and she explicitly said Buyer could inspect the assets.

As it stands now, it's sort of like the TV show Storage Wars: Pay \$650,000 and open the box to see what's inside. Just some levity :)

Here's another solution that will work (although I don't have a law degree):

Make this a two-day, two-agreement transaction:

1) Day 1: Asset sale, wherein the Corporation sells the minimum assets listed in the last draft's Section 5 for \$649,000 on a Bill of Sale. The Corporation then sells the assets that are going to Warren for \$1 or whatever.

2) Day 2: Stock sale, the 1000 shares of Mosler Auto Care Center stock are sold to \$1 par value stock is sold to MSI for \$1000.

I'm TRULY not trying to 'pull' something here. I'm just confused about why the assets of the company can't be identified as part of the sale. All that's desired is to buy the Corporation and be able to operate as the Corporation has been operating. Nothing more. AND this fact has to be credibly conveyed to someone who's going to be putting in a very significant amount of money to make this happen. I'm open-minded.

My clear agreement with Warren was the 2012 car would be modified and sold with no warranty and explicit instructions in the Bill of Sale that the car could not be titled in any state requiring CARB Executive Order. I took this stipulation out of the Agreement itself, but I noticed a stipulation to the exact contrary has found its way back into the draft.

DEF013274

James Todd Wagner
President
Supercar Engineering, Inc.
Mosler Supercars, Inc.

On Fri, Apr 6, 2012 at 11:42 AM, Alan Richard Simon <alansimon@gmail.com> wrote:
Hi:

Please find attached the Stock Sale Agreement which I revised in accordance with Warren's instructions.

Todd, respectfully, although you have said you have a MBA, from your comments it appears that you may not fully share my understanding of the legal meaning/effect of many the various provisions contained in the agreement. As you have drafted your revisions, I do not agree that at the end of the day, that Warren would have the "zero liability hangover" as you contend.

For clarification, the transaction will be a stock sale. Not an asset sale or a combo of both. When you purchase the Macc stock from Warren, you are purchasing the corporation itself, warts and all. For example if you buy GM stock, you do not own the computers in its office, but own part of GM itself. Accordingly, you are not buying MACC's assets directly, but would be buying Warren stock in the Macc corporation, which owns its assets..

Accordingly, the corporation owns what it owns and Warren can not make any representations or warranties about what MACC owns nor the sufficiency of such assets to conduct its business or anything else, other than he owns the stock free and clear.. That means he can't not agree to a specific list of assets, tangible or intangible, nor agree to any exceptions to the "no representations- AS IS - Where Is" or Warren won't have the "zero liability hangover" as you contend.

I have changed the "extent of your knowledge" as requested, but have added that whatever knowledge you have is sufficient to allow you to make your independent decision to purchase Warren's stock.

DEF013275

For clarification, , contrary to your contention otherwise, I believe that you are asking for a 60 day exclusive. In any case, I have also revised the language in the termination clause to make it non cancellable by Warren for 60 days following execution of the sales agreement

If you remember , originally Warren proposed a 7 day after execution of the agreement in order achieve the quick closing you want. Please remember that you wanted to delay closing for 60 days. Also, the \$3000 per week after 7 days is a price increase, not a penalty as you have characterized it.

After Sylvia has approved the draft, if you wish to go forward, please sign the attached agreement as indicated And return copies to Warren, Sylvia, Jacob and me.

Thanks

Alan R. Simon

[\(561\) 427-4041](tel:(561)427-4041)

From: James Todd Wagner [mailto:j.todd.wagner@gmail.com]

Sent: Friday, April 06, 2012 10:25 AM

To: Warren Mosler

Cc: klr@reaganlawoffices.com; Alan Richard Simon; Jacob Mosler; Sylvia Klaker

Subject: Re: Mosler Asset and Stock Sale Agreement 4-6-2012

Good morning from California,

I'll work with Sylvia on this today.

Thank you,

DEF013276

Trial Transcript, MACC Office Mgr. Sylvia Klaker Testifying pg 302 ln 14 - 21

14· . . . Q· · Okay· · See in bold, it says **"Don't forget that**

15· · **MACC will post a 'Buyer Beware' notice** on its websites

16· · if the VIN number/MSO are not corrected; time of the

17· · essence."

18· Do you ever remember a "Buyer Beware" notice

19· · being posted on MACC's website?

20· . . . A· · I don't know if it was. I have a vague

21· · recollection of that. I didn't work the website, so...

Trial Transcript, MACC Office Mgr. Sylvia Klaker Testifying pg 303 ln 16 - 22

16· . . . Q· · And in kind of a burgundy color, there's

17· · something there· · Does that refresh your recollection as

18· · to whom --

19· . . . A· · Yes.

20· . . . Q· · -- if anyone, drafted the **"Buyer Beware"**

21· · **notice?**

22· . . . A· · Yes.

Trial Transcript, MACC Office Mgr. Sylvia Klaker Testifying pg 303 ln 16 - 22

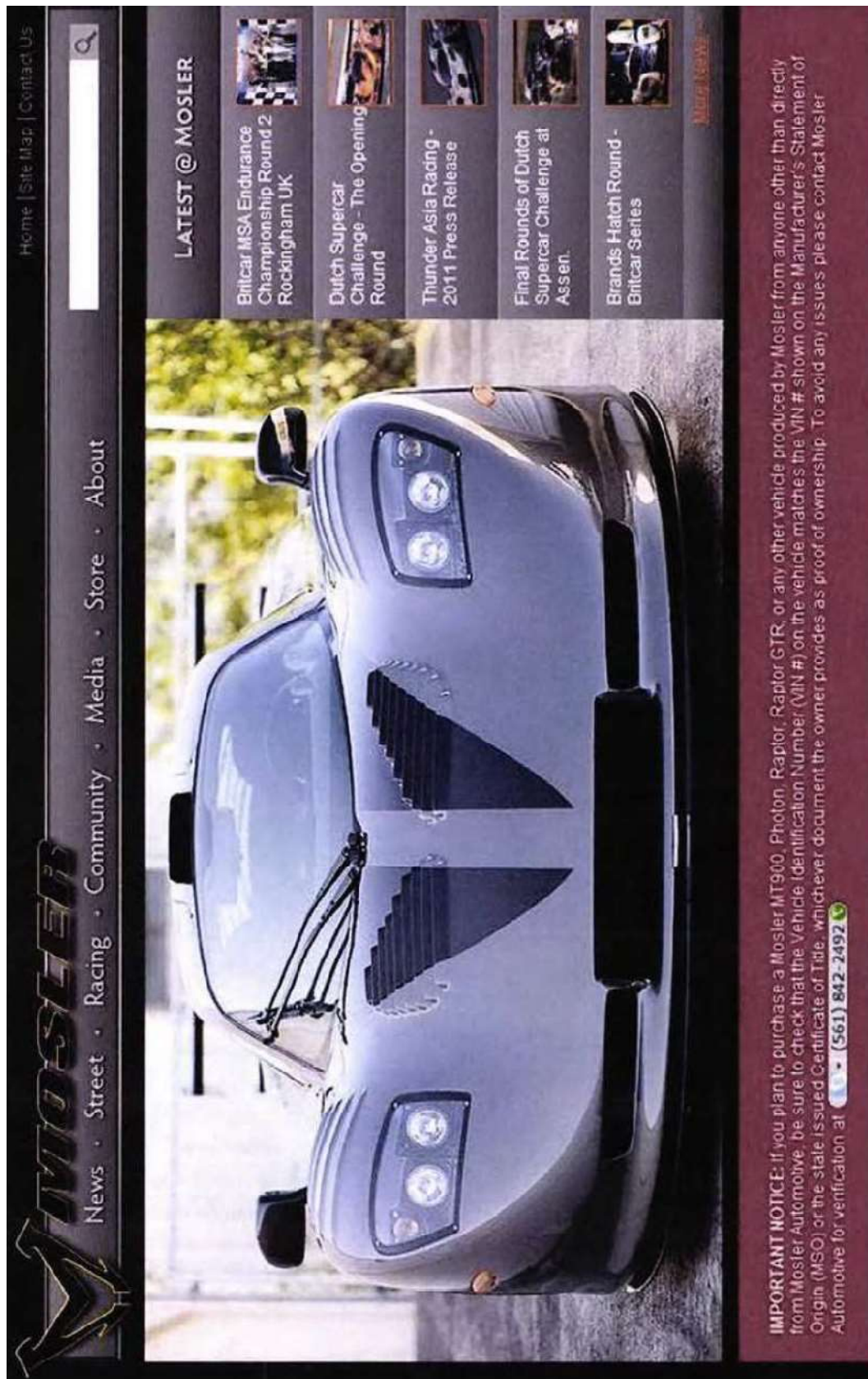
25· . . . Q· · Okay· · Now, does that refresh your

·1· · recollection as to who typed the language on that

·2· · document?

·3· . . . **A· · Yes· · I typed it.**

- Plaintiffs Exhibit #10 follows:



- Snip of Plaintiffs Exhibit #9 follows:

RE: Modification Agreement. I don't think it's necessary since both the VIN#/MSO and warranty issues need to be resolved **before Warren** will sign any Stock Sales Agreement . This shouldn't be a problem if you don't change your mind re: May 7 pick up. Please remember that MACC will pay to transport your MT to their FL shop but will not pay to transport your MT back to CA. Per your request, MACC will handle the transport and it will not be necessary involve Corvette Mike. **Don't forget that MACC will post a "Buyer Beware" notice on its website if the VIN #/MSO are not corrected; time if of the essence.** That your MT has no warranty is a **fact** so the Acknowledgement

Trial Transcript, MACC Office Mgr. Sylvia Klaker Testifying pg 310 ln 1 - 12

1. . . . Q. . Okay. . And yet, after that, **MACC wanted to**
2. **change the VIN number and change the MSO to call that**
3. **car, instead of a 2012 RaptorGTR, a 2009 MT900, correct?**
4. . . . **A. . I -- it appears so.**
5. . . . Q. . Okay. . And Supercar Engineering didn't want to
6. do that, did it?
7. . . . A. . I don't know.
8. . . . Q. . And **because Supercar Engineering didn't agree**
9. **and go along and change the VIN number and MSO, MACC**
10. posted a "Buyer Beware" notice on its website, didn't
11. it?
12. . . . **A. . There is a "Buyer Beware" notice posted.**

5 · · · · Q · · Okay · Did you believe it was appropriate to

·6· ·change the VIN number?

·7· · · · **A · No · It was ridiculous to.**

·8· · · · Q · · Okay.

·9· · · · A · · I think it's actually illegal to do things

10 ·like that, but **they wanted to do it. And for whatever**

11 ·**reason, it was like a must have.** "I'm not going to let

12 ·you buy the company unless you do this."

21 · · · · Q · · "To do that," you're indicating the blowup of

22 ·the --

23 · · · · A · · "Buyer Beware" notice.

24 · · · · Q · · -- "Buyer Beware" notice?

25 · · · · A · · Imagine buying a car, **a supercar like this,**

·1· ·and then **the manufacturer puts a "Buyer Beware" notice**

·2· ·**on their website.** It is cuckoo-for-cocoa-puffs and it

·3· ·just is part of this deception, this monumental -- it's

·4· ·a monumental con.

·5· · · · · · So **they wanted to con me** into letting them

·6· ·create -- change the VIN and then they can say, "Look,

·7· ·Todd, I didn't do any trade libel · It's a 2009 just

·8· ·like I said, and it wouldn't have passed emissions."
·9· · That was his plan. He wanted to escape the
10· ·trade libel, get away with it, by changing the VIN and
11· ·then say, "Look, Todd, you agreed that it wasn't a
12· ·RaptorGTR." That was what they were doing.

Trial Transcript, James Todd Wagner Testifying pg 1198 ln 5 - 14

·5· · . . . Q· · Okay.
·6· · . . . A· · But they never signed it, so I never agreed
·7· ·for it to be changed to the 2009 VIN. **They ripped the**
·8· ·**windshield off** and changed the VIN anyway and then they
·9· ·**held the car hostage** --
10· · . . . Q· · Okay.
11· · . . . A· · -- threatening to charge me \$35 a day until I
12· ·complied with signing an acknowledgment that the car was
13· ·a 2009. **So they're doing extortion to try and get their**
14· ·**trade libel wiped off the board.**

- **JURY QUESTION FROM 2023-TRIAL** (pg 2355 ln 11 – pg 2356 ln 1):

11· · · · ·THE COURT: "Is it illegal to change the VIN

12· · · · **number?** If so, what circumstances would be --

13· · · · would make it legal?"

14· · · · ·MR. WEBER: There's definitely an objection.

15· · · · Objection, that's a legal -- asking for a legal

16· · · · conclusion.

17· · · · ·MR. ZAPPOLO: I think it's a valid -- it's an

18· · · · appropriate question, and there's testimony in the

19· · · · case about changing VIN numbers. He's the owner of

20· · · · the company that provides the VIN numbers on the

21· · · · cars.

22· · · · ·MR. WEBER: The question is: "Is it illegal

23· · · · to change a VIN number?" It's specifically asking

24· · · · for a legal conclusion.

25· · · · ·THE COURT: All right. I'll sustain the

·1· · · · objection.