

## DEREK ELLIOTT DEPOSITION BULLET POINTS

- Derek did not see any mistakes in reading the transcription of his first deposition
  - Pg. 17; Lines 16-19
- Is aware of the DMK trust accounts in Florida and the DR
  - Pg. 17; Lines 20-23
- Fred Elliott and de Marchena are the individuals with knowledge concerning the trust account
  - Pg. 20; Lines 2-5
- Did not make representations concerning trust account
  - Pg. 20; Lines 19-22
  - Pg. 21; Line 8
- Believes he told purchasers that if they put money in trust account, the monies would be used in certain ways
  - Pg. 21; Lines 22-25
  - Pg. 22; Line 4
- Does not recall telling purchasers that monies deposited in Juan Dolio trust account would be used to pay for hard and soft costs at Juan Dolio
  - Pg. 23; Lines 18-24
  - Pg. 24; Lines 1-2
- Does not operate trust account
  - Pg. 26; Lines 1-5, 15
  - Pg. 27; Lines 1-4
- Has been fielding emails from various clients with respect to Business Plan filed with Court
  - Pg. 29; Lines 8-21
- It will cost about \$12 million to complete Juan Dolio with furnishings
  - Pg. 29; Lines 22-25
- As of May 7, about \$13 million needed to complete Juan Dolio
  - Pg. 30; Lines 11-25
- As of September/October 2008, hard costs needed to complete Juan Dolio was estimated at \$13 million (as evidenced by webinar)
  - Pg. 33; Lines 11-25
  - Pg. 34; Lines 1-21
- Construction at Juan Dolio did not resume until March 2009

- Pg. 34; Lines 22-25
- There was no construction from November 2008 through February 2009
  - Pg. 35; Lines 1-5
- Claims that honored promise in letter of September 4, 2008, that monies collected in trust account would be used to complete Juan Dolio
  - Pg. 37; Lines 4-11, 24-25
  - Pg. 39; Lines 22-25
  - Pg. 40; Lines 2-9
- Does not know what 10/23/08 payment of \$100,000 to CCW Dominicana was for
  - Pg. 41; Lines 14-21
- Wire out to WWIN member Alvin McMichael for \$59,000 was for Sun Village Cofresi client
  - Pg. 41; Lines 22-25
  - Pg. 42; Lines 1-8
- Does not know what being a “WWIN member” means
  - Pg. 42; Lines 9-10
- Is sure that all payments referenced in Ex. 8 (Juan Dolio Accounting) were directed towards Juan Dolio hard and soft costs based on the letter he wrote
  - Pg. 46; Lines 17-25
  - Pg. 47; Lines 1-5
- States that the project was being worked on from October 2008 through February 2009 (mistakenly referenced as February 2008 in transcript)
  - Pg. 51; Lines 3-19
- As of November 18, 2008, there was no hard construction ongoing on the Juan Dolio
  - Pg. 53; Lines 15-24
- Construction officially started on March 4 or 5, 2009
  - Pg. 54; Lines 8-9
- Board of Advisors was introduced in 2008 to ensure smooth completion of project
  - Pg. 57; Lines 4-8
- Remax began selling on Juan Dolio in November 2008
  - Pg. 58; Lines 5-10
- Remax has not made a single sale on Juan Dolio
  - Pg. 59; Lines 7-25
  - Pg. 60; Lines 1-25

- Pg. 61; Lines 1-25
  - Pg. 62; Lines 1-6
- Derek's role in creating the new business plan – working with Remax and contractors, providing materials
  - Pg. 63; Lines 18-22
- Business plan was started in September/October 2008
  - Pg. 64; Lines 2-18
- Decided that Juan Dolio needed to be reconfigured in Fall 2008
  - Pg. 66; Lines 15-18
- Study on reconfiguring Juan Dolio was conducted by Jose Pereya, Perco
  - Pg. 66; Lines 23-25
  - Pg. 67; Lines 1-15
- Estimate provided by Perco for completing project was \$12.9 million
  - Pg. 68; Lines 19-23
- Estimate by Perco was provided to Derek in writing (in a substantial binder)
  - Pg. 68; Line 25
  - Pg. 69; Lines 1-8
- Perco binder was also delivered to Fred Elliott
  - Pg. 69; Lines 22-23
- New full condo ownership units are to be sold to Dominicans as second homes
  - Pg. 72; Lines 23-25
  - Pg. 73; Lines 1-2
- Correction – not a Board of Advisors but an Advisory Committee – meaning that Fred retains full power to make all decisions
  - Pg. 75; Lines 6-9
- Jayson Burley worked as EVP of Elliott from 2005-2008
  - Pg. 80; Lines 5-7
- Burley had role in Juan Dolio – at one point being the director of development
  - Pg. 80; Lines 8-15
- Burley resigned in Fall of 2008 – Elliotts said they could not pay him any longer, but they wanted him to stay on and work with group
  - Pg. 81; Lines 2-25
- Burley is being sued in Utah by a client

- Pg. 82; Lines 14-25
  - Pg. 83; Lines 1-2
- There are ongoing discussions between Elliott and Burley
  - Pg. 83; Lines 12-20
- One of the Elliott companies owes Burley money
  - Pg. 84; Lines 5-11
- The \$17 million in loans to related parties originated from sales to fractional owners and timeshare purchasers
  - Pg. 89; Lines 3-12
- Related party loans have not been paid back to Juan Dolio
  - Pg. 91; Lines 6-8
- Never told Juan Dolio investors that monies would be used for intercompany loans
  - Pg. 91; Lines 16-25
- Acknowledged that some funds from trust account were used for intercompany loans
  - Pg. 93; Lines 21-25
  - Pg. 94; Lines 1-14