



BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS:**

**JEFF HATCH-MILLER, Chairman**  
**WILLIAM A. MUNDELL**  
**MARC SPITZER**  
**MIKE GLEASON**  
**KRISTIN K. MAYES**

In the matter of:

**YUCATAN RESORTS, INC., d/b/a**  
**YUCATAN RESORTS, S.A.,**  
3222 Mishawaka Avenue  
South Bend, IN 46615;  
P. O. Box 2661  
South Bend, IN 46680;  
Av. Coba #82 Lote 10, 3er. Piso  
Cancun, Q. Roo  
Mexico C.P. 77500

**RESORT HOLDINGS INTERNATIONAL,**  
**INC. d/b/a**  
**RESORT HOLDINGS INTERNATIONAL,**  
**S.A.,**  
3222 Mishawaka Avenue  
South Bend, IN 46615;  
P. O. Box 2661  
South Bend, IN 46680;  
Av. Coba #82 Lote 10, 3er. Piso  
Cancun, Q. Roo  
Mexico C.P. 77500

**WORLD PHANTASY TOURS, INC.**  
**a/k/a MAJESTY TRAVEL**  
**a/k/a VIAJES MAJESTY**  
Calle Eusebio A. Morales  
Edificio Atlantida, P Baja  
APDO, 8301 Zona 7 Panama

**MICHAEL E. KELLY and LORI KELLY,**  
husband and wife,  
3222 Mishawaka Avenue  
South Bend, IN 46615;  
P. O. Box 2661  
South Bend, IN 46680;

Respondents.

DOCKET NO. S-03539A-03-0000

**RESPONDENTS' JOINT MOTION TO  
PRECLUDE THE TESTIMONY OF  
KELLY SLAZYK, AND ADMISSION OF  
EXHIBITS S-31 OR, IN THE  
ALTERNATIVE, TO COMPEL  
PRODUCTION OF DOCUMENTS AND  
STAY HEARING**

(Assigned to Administrative Law Judge  
Marc E. Stern)

AZ CORP COMMISSION  
DOCUMENT CONTROL

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NOW COME the Respondents, Resort Holdings International, Inc. ("RHI Inc."), Resort

1 Holdings International, S.A. ("RHI S.A."), Yucatan Resorts, Inc. ("Yucatan Inc."), Yucatan  
2 Resorts, S.A. ("Yucatan S.A." or, collectively, "Respondent Entities"), and Michael E. Kelly  
3 ("Kelly") (collectively, the "Respondents") and file this, their Joint Motion to Preclude the  
4 Testimony of Kelly Slazyk and the Securities Division's Proposed Exhibit S-31, or, in the  
5 Alternative, Motion to Compel Production of Documents and Stay the Hearing in this case. In  
6 support thereof, Respondents would respectfully show the following:

7 I.

8 INTRODUCTORY STATEMENT

9 The purpose of this Motion is to preclude the testimony of the Securities Division proffered  
10 "fact" witness, Kelly Slazyk. The Securities Division originally identified Ms. Slazyk as a  
11 purported expert witness. Then, just before Ms. Slazyk's deposition on Monday, September 12,  
12 2005, the Securities Division advised the Respondents that Ms. Slazyk would not be offered as an  
13 expert witness, and that she would not be providing any opinion testimony. The Securities  
14 Division reconfirmed this position, on the record, at the commencement of Ms. Slazyk's  
15 deposition.<sup>1</sup>

16 Ms. Slazyk testified at her deposition that the only exhibit that she had any involvement  
17 with, and would be called to testify about, is Securities Division Exhibit S-31.<sup>2</sup> Importantly,  
18 Exhibit S-31 is a summary of other records.<sup>3</sup> Specifically, Ms. Slazyk testified that she received  
19 bank records from the Indiana Securities Commission.<sup>4</sup> Thereafter, with the assistance of others,  
20 Ms. Slazyk input portions of these purported banking records into an Excel spreadsheet.<sup>5</sup> Indeed,  
21 Ms. Slazyk testified, "I was doing data entry for the National City bank account ending in 8187 . . .  
22  
23

24 <sup>1</sup> See Deposition Transcript of Ms. Slazyk, dated September, 12, 2005, a copy of which is attached hereto as Exhibit  
25 "A," at p. 6, line 14 through p. 7, line 6.

<sup>2</sup> *Id.* at p. 50, line 22 through p. 51, line 18; see also, p. 67, lines 17-20.

<sup>3</sup> *Id.* at p. 61, lines 1-17.

<sup>4</sup> *Id.* at p. 31, line 20 through p. 32, line 10.

<sup>5</sup> *Id.* at p. 58, line 12 through p. 61, line 17.

1 [t]hat is mainly what I worked on.”<sup>6</sup> From the Excel spreadsheet summary that she created,  
2 Ms. Slazyk created Exhibit S-31.<sup>7</sup>

3 The documents from which Exhibit S-31 was created, and about which Ms. Slazyk is being  
4 called to testify, are unoriginal, unauthenticated, inadmissible and hearsay. Further, Ms. Slazyk,  
5 as a non-expert witness, may not testify regarding the Exhibit S-31—because the documents  
6 underlying the summary constitute multi-leveled hearsay. The Securities Division and Ms. Slazyk  
7 have failed to comply and/or cannot comply with the Arizona Rules of Evidence relating to  
8 authenticity, summaries and hearsay. Therefore, the Respondents’ Joint Motion to Preclude the  
9 Testimony of Ms. Slazyk and proposed Exhibit S-31 should be granted. Alternatively,  
10 Respondents request that this Court grant the Respondents’ Motion to Compel production of all  
11 documents and information requested of Ms. Slazyk and the Securities Division during Ms.  
12 Slazyk’s deposition, and stay this case until such time as the documents are produced, and the  
13 Respondents have had sufficient time to review the records and re-depose Ms. Slazyk.<sup>8</sup> Anything  
14 less would be a denial of Respondents’ right to due process.

15 **II.**  
16 **ARGUMENT**

17 **1. The Securities Division Cannot Satisfy Arizona Rules of Evidence 1002, 1003,**  
18 **or 1006.**

19 In an Administrative Proceeding such as this case, “[R]ules of evidence before the Superior  
20 Court of the State of Arizona will generally be followed.” R14-3-109(K). Arizona Rule of  
21 Evidence 1006 addresses specifically “summaries.” This provision provides:

22  
23 The contents of voluminous writings, recordings, or  
24 photographs which cannot conveniently be examined in court  
may be presented in the form of a chart, summary, or  
calculation. The originals, or duplicates, shall be made

25 <sup>6</sup> *Id.* at p. 31, line 20 through p. 32, line 10.

26 <sup>7</sup> *Id.*

27 <sup>8</sup> A copy of the production demand letter to Ms. Slazyk is attached hereto as Exhibit “B.” The documents requested,  
and the bases for the production of these documents are set forth in Exhibit B, and are hereby incorporated herein by  
reference.

1 available for examination or copying, or both, by other parties  
2 at a reasonable time and place. The court may order that they  
3 be produced in court.

4 Arizona Rules of Evidence, Rule 1006.

5 The Securities Division analyses and flow charts, including Exhibit S-31, irrefutably  
6 constitute “summaries” under Arizona Rule of Evidence 1006—as they allegedly are contents of  
7 voluminous writings, recordings or photographs that were turned into summaries, charts and/or  
8 calculations. While Arizona Rule of Evidence 1006 does permit parties to present information  
9 derived out of voluminous writings, recordings, or photographs, in the form of charts, summaries,  
10 or calculations, the parties must make the originals or duplicates of these documents available at a  
11 reasonable place and time and, importantly, the documents underlying the summaries must be  
12 admissible.

13 The Arizona Court of Appeals recently held that, “[a] witness may summarize the  
14 information contained in voluminous reports or records *as long as the information contained in*  
15 *the documents would be admissible and the documents are made available to the opposing party*  
16 *for their inspection.”* *Crackel v. Allstate Insurance Co.*, 208 Ariz. 252, 266 (Ariz. Ct. App. 2004)  
17 (quoting *Rayner v. Stauffer Chem. Co.*, 120 Ariz. 328, 333-34 (App. 1978). Here, not all of the  
18 documents and information underlying the creations of the summary, Exhibit S-31, have been  
19 produced or otherwise made available to Respondents. Furthermore, the documents that underlie  
20 the summary, which have been produced, are not admissible. Thus, the summary, and any  
21 testimony related to the summary, are not admissible.

22 Arizona Rule of Evidence 1002 provides, “[t]o prove the content of a writing, recording or  
23 photograph, the original writing, recording or photograph is required, except as otherwise provided  
24 in these rules or by applicable statute or rule.” Arizona Rule of Evidence 1003 provides, “[a]  
25 duplicate is admissible to the same extent as an original unless (1) a genuine question is raised as  
26 to the authenticity of the original or (2) in the circumstances it would be unfair to admit the  
27 duplicate in lieu of the original.”

1 The Securities Division produced some of the records upon which Ms. Slazyk allegedly  
2 relied, including some purported bank records from which Exhibit S-31 was created. The  
3 purported banking records are not original documents. Ms. Slazyk "assumed," but has no personal  
4 knowledge, that the Indiana Securities Commission subpoenaed the records.<sup>9</sup> Ms. Slazyk testified  
5 that she received copies of the bank records from the Indiana Securities Commission.<sup>10</sup> There is  
6 no testimony, nor could there be from Ms. Slazyk, that identifies the party or parties from whom  
7 the Indiana Securities Commission obtained the bank records in question.

8 Moreover, no subpoena issued to the bank has ever been produced. No correspondence to  
9 or from the bank from either Ms. Slazyk and/or the National White Collar Crime Center, or the  
10 Indiana Securities Commission, has every been produced. Further, the custodian of records from  
11 the bank is not identified as a witness by the Securities Division to testify to the authenticity of the  
12 purported bank records, or in what course, if any, the records were maintained and/or produced.

13 Moreover, during Ms. Slazyk's deposition, the Respondents demanded that any subpoenas  
14 or correspondence relating to these purported banking records, and any documents relating to  
15 Exhibit S-31, which Ms. Slazyk is going to testify about, be turned over to the Respondents.<sup>11</sup> The  
16 Securities Division repeatedly ordered Ms. Slazyk not to answer on-point questions related to her  
17 testimony, her involvement in this case, the documents she reviewed, the documents she used to  
18 create Exhibit S-31, and the history surrounding the creation of this Exhibit.<sup>12</sup> Importantly, even  
19 though Ms. Slazyk was not being represented by the Securities Division in connection with her  
20 testimony, she accepted the Securities Division's instruction not to answer and/or produce  
21 documents.<sup>13</sup>

22 Thus, there is no witness to testify to the originality or authenticity of the records. There  
23 also is no witness to establish that the purported banking records underlying the Excel spreadsheet

24  
25 <sup>9</sup> Transcript at p. 35, line 6 through p. 36, line 8.

<sup>10</sup> *Id.* at p. 31, line 20 through p. 32, line 10.

<sup>11</sup> See Exhibit B, which contains all of the documents and information that Respondents requested Ms. Slazyk and the Securities Division to produce.

<sup>12</sup> *Id.*; see also, *inter alia* and without limitation, p. 16, line 18 through p. 9, line 6; p. 20, line 15 through p. 23, line 11.

<sup>13</sup> *Id.* at p. 22, line 5 through p. 23, line 24.

1 and/or Exhibit S-31 were business records, and the records are not certified public records.  
2 Therefore, there is a genuine issue as to the authenticity of these documents and, even if there were  
3 not an issue related to the authenticity of the documents, it would be unfair and extremely  
4 prejudicial to permit Ms. Slazyk to testify regarding the summary she created (Exhibit S-31) where  
5 the Respondents have not been provided with all of the documents that Ms. Slazyk reviewed and  
6 relied on to create the summary.

7 Section 41-1062(A)(1) of the Arizona Administrative Procedure Act provides every person  
8 who is a party to an administrative proceeding in a contested case “shall have the right of cross  
9 examination.” *See also* R14-3-109. The Securities Division, in refusing to produce some of the  
10 key documents underlying the only exhibit that Ms. Slazyk is being call to testify about, and,  
11 therefore, has effectively deprived the Respondents of their right to cross examine the witness.  
12 There is no way for the Respondents to test the accuracy or reliability of Ms. Slazyk’s testimony or  
13 the exhibit she created—S-31. The Securities Division, in violation of Section 41-1062(A)(1) of  
14 the Arizona Administrative Procedure Act, is depriving the Respondents of their recognized right  
15 to cross examine the witness. Therefore, Ms. Slazyk should be precluded from testifying, and  
16 Exhibit S-31 precluded from admission into the record of this case.

17 **2. Ms. Slazyk’s Testimony Regarding Exhibit S-31 Consists of Multi-Level**  
18 **Hearsay Without Any Applicable Exception.**

19 The problems associated with Ms. Slazyk’s testimony, and Exhibit S-31, do not end with  
20 the fact that the Securities Division once again is hiding documents related to a testifying witness,  
21 and the fact that the documents underlying the summary are unoriginal, unauthenticated, and  
22 inadmissible. Indeed, another insurmountable hurdle is the fact that all of Ms. Slazyk’s testimony,  
23 and the Exhibit that she is being called to testify about, constitute multi-level hearsay without any  
24 applicable exception.

25 “Hearsay” is a statement, other than one made by the declarant while testifying at the trial  
26 or hearing, offered into evidence to prove the truth of the matter asserted. See Arizona Rule of  
27

1 Evidence 801. Hearsay is not admissible except as provided by applicable constitutional  
2 provisions, statutes, or rules. See Arizona Rule of Evidence 802. The Arizona Rules of Evidence  
3 also address situations where a party attempts to introduce multiple level hearsay. Specifically,  
4 Arizona Rule of Evidence 805 provides, “[h]earsay included within hearsay is not excluded under  
5 the hearsay rule if each part of the combined statements conforms with an exception to the hearsay  
6 rules provided in these rules.” Ms. Slazyk’s testimony regarding Exhibit S-31 is multi-level  
7 hearsay with no available exception at any level—as the testimony is inextricably intertwined with  
8 out of court statements, by someone other than Ms. Slazyk while testifying at hearing, and the  
9 information is being offered for the exclusive purpose of proving the truth of the matters asserted  
10 therein.

11 Ms. Slazyk testified that she obtained the purported banking records from the Indiana  
12 Securities Commission.<sup>14</sup> This is one level of hearsay. From these purported banking records,  
13 Ms. Slazyk selected data that interested her, and she, with the help of others, input this information  
14 into an Excel spreadsheet.<sup>15</sup> The Excel spreadsheet has not been produced to the Respondents, yet  
15 it constitutes a second level of hearsay. Thereafter, Ms. Slazyk used the purported banking records  
16 and the Excel spreadsheet to create Exhibit S-31.<sup>16</sup> The summary, Exhibit S-31, is yet another  
17 level of hearsay.

18 Now, the Securities Division intends to call Ms. Slazyk to testify about Exhibit S-31—  
19 where the exhibit itself is not limited to Arizona residents<sup>17</sup>, where the exhibited was created from  
20 multiple levels of unreliable, unoriginal, unauthenticated hearsay documents—some of which have  
21 not yet been produced to the Respondents in this case, and where the witness is no longer being  
22 offered as an expert. Because the entirety of Ms. Slazyk’s testimony would involve hearsay  
23 statements without exception, Ms. Slazyk should be precluded from testifying at the Hearing, and  
24 Exhibit S-31 should not be admitted.

25 \_\_\_\_\_  
26 <sup>14</sup> *Id.* at p. 31, line 20 through p. 32, line 10.

27 <sup>15</sup> *Id.* at p. 58, line 12 through p. 61, line 17.

<sup>16</sup> *Id.*

<sup>17</sup> *Id.* at p. 55, line 20 through p. 58, line 11.

**ROSHKA DeWULF & PATTEN, PLC**  
ONE ARIZONA CENTER  
400 EAST VAN BUREN - SUITE 800  
PHOENIX, ARIZONA 85004  
TELEPHONE NO 602-256-6100  
FACSIMILE 602-256-6800

1 As an alternative to precluding the witness' testimony, and Exhibit S-31, Respondents  
2 request that this Court grant the Respondents' Motion to Compel Ms. Slazyk's withheld records.  
3 The requested records and the reasons supporting production of the records are set forth in Exhibit  
4 A hereto. Respondents request that the responsive records be immediately produced in their  
5 entirety, without redaction, and that the Hearing be stayed until such time as the Respondents have  
6 received and reviewed the responsive records.

7 **III.**

8 **CONCLUSION**

9 For the foregoing reasons, the Respondents' Joint Motion to Preclude the Testimony of  
10 Kelly Slazyk and Exhibit S-31 should, in all things, be granted. Or, alternatively, the  
11 Respondents' Motion to Compel Production of Records should be granted, and the case stayed.

12 **RESPECTFULLY SUBMITTED** this 19th day of September, 2005.

13 **ROSHKA DeWULF & PATTEN, PLC**

14 By 

15 Paul J. Roshka, Jr., Esq.  
16 James M. McGuire, Esq.  
17 One Arizona Center  
18 400 East Van Buren Street, Suite 800  
19 Phoenix, Arizona 85004  
20 Attorneys for Respondent  
21 Michael E. Kelly

22 and

23 **GALBUT & HUNTER**

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25 A Professional Corporation  
26 2425 East Camelback, Suite 1020  
27 Phoenix, Arizona 85016  
Attorneys for Respondents Yucatan Resorts, Inc.,  
Yucatan Resorts S.A., RHI, Inc., and RHI, S.A.

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and

BAKER & MCKENZIE, LLP  
Joel Held, Esq.  
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2300 Trammel Crow Center  
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Attorneys for Respondents Yucatan Resorts, Inc.,  
Yucatan Resorts, S.A.; RHI, Inc.; RHI, S.A.

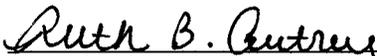
ORIGINAL and thirteen copies of the foregoing  
hand-delivered this 19th day of September, 2005 to:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

COPY of the foregoing hand-delivered  
this 19th day of September, 2005 to:

Marc E. Stern  
Administrative Law Judge/Hearing Officer  
Hearing Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Jamie B. Palfai, Esq.  
Matthew J. Neubert, Esq.  
Securities Division  
Arizona Corporation Commission  
1300 West Washington Street, 3rd Floor  
Phoenix, Arizona 85007

  
kellym.acc/pld/JT MO Preclude Testimony of Slazyk.doc

**Exhibit A**

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF: )  
)  
YUCATAN RESORTS, INC., ) DOCKET NO.:  
3222 Mishawaka Avenue ) S-03539A-03-0000  
South Bend, IN 46615; )  
P.O. Box 2661 )  
South Bend, IN 46680 )  
Av. Coba #82 Lote 10, 3er. Piso )  
Cancun, Q. Roo )  
Mexico C.P. 77500, et al. )  
)  
Respondents. )  
)

DEPOSITION OF KELLY SLAZYK

TELECONFERENCE

Phoenix, Arizona  
September 12, 2005

ARIZONA REPORTING SERVICE, INC.  
Court Reporting  
Suite Three  
2627 North Third Street  
Phoenix, Arizona 85004-1126

Prepared for: By: COLETTE E. ROSS  
Certified Court Reporter  
Certificate No. 50658

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1 APPEARANCES:  
 2  
 3 ALSO PRESENT:  
 4 Ms. Karen Houle, Legal Assistant, Securities  
 5 Division  
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1 DEPOSITION OF KELLY SLAZYK  
 2 was taken on September 12, 2005, commencing at 9:35 a.m.  
 3 at the law offices of ROSHKA HEYMAN & DeWULF, PLC, 400  
 4 East Van Buren Street, Suite 800, Phoenix, Arizona,  
 5 before COLETTE E. ROSS, Certified Court Reporter No.  
 6 50658 for the State of Arizona.  
 7 The witness was physically located in Richmond,  
 8 Virginia and testified via teleconference.  
 9  
 10 APPEARANCES:  
 11  
 12 For the Arizona Corporation Commission:  
 13 Mr. Jamie B. Palfai  
 14 Staff Attorney, Securities Division  
 15 1300 West Washington Street  
 16 Phoenix, Arizona 85007  
 17  
 18 For Yucatan Resorts, Inc.; Yucatan Resorts, S.A.; Resort  
 19 Holdings International, Inc.; Resort Holdings  
 20 International, S.A.:  
 21  
 22 BAKER & MCKENZIE, LLP  
 23 By Mr. Joel Held  
 24 2300 Trammell Crow Center  
 25 2001 Ross Avenue  
 Dallas, Texas 75201  
 (Appearing via teleconference.)  
 For Michael Kelly:  
 ROSHKA HEYMAN & DeWULF, PLC  
 By Mr. Paul J. Roshka, Jr.  
 One Arizona Center  
 400 East Van Buren Street, Suite 800  
 Phoenix, Arizona 85004

1 KELLY SLAZYK,  
 2 a witness herein, having been first duly sworn by the  
 3 Certified Court Reporter to speak the truth and nothing  
 4 but the truth, was examined and testified as follows:  
 5  
 6 EXAMINATION  
 7 BY MR. HELD:  
 8 Q. Ms. Slazyk, my name is Joel Held, H-E-L-D. And  
 9 I am an the attorney in Dallas.  
 10 A. Okay.  
 11 Q. It is kind of unusual -- have you ever had a  
 12 deposition taken before?  
 13 A. No.  
 14 Q. Okay. Well, it is a little unusual to do these  
 15 by telephone. So have you ever testified in court  
 16 before?  
 17 A. Yes.  
 18 Q. How many times?  
 19 A. Just once.  
 20 Q. And when was that?  
 21 A. That was the spring of last year.  
 22 Q. '04?  
 23 A. Yes. I was thinking of the date, but yes.  
 24 Q. And was that in person or by telephone?  
 25 A. That was in person.

1 Q. Okay. Well, it is a unusual to do this by  
2 telephone. So if we have a bad connection or you don't  
3 understand anything I am asking --  
4 A. Okay.  
5 Q. -- just stop me, and I will stop and repeat it  
6 or rephrase it.  
7 And I will have to have audible responses. And  
8 since it is by telephone, we are going to have to do  
9 this so you let me finish my question before you answer  
10 it. And I will do my best to let you finish your answer  
11 before I ask you another question. Can we have an  
12 agreement?  
13 A. Yes.  
14 MR. HELD: Before we get started, it is my  
15 understanding, Jamie, that Ms. Slazyk is not being  
16 offered as an expert witness but rather as a fact  
17 witness?  
18 MR. PALFAI: That's correct, Mr. Held.  
19 MR. HELD: So we have no issues that she is not  
20 being proffered as an expert and she is not being  
21 proffered for any opinion testimony?  
22 MR. PALFAI: I am not going to ask Mr. Stern to  
23 recognize Ms. Slazyk as an expert in this case.  
24 MR. ROSHKA: Well, I am not sure that answered  
25 Joel's question.

1 MR. HELD: You didn't answer my question. Are  
2 you going to ask her her opinions on things?  
3 MR. PALFAI: Well, as a fact witness, she will  
4 just be testifying as to the facts surrounding her work.  
5 So I guess the short answer is she won't be asked for  
6 opinions.  
7 BY MR. HELD:  
8 Q. Okay. And is that what your understanding is,  
9 Ms. Slazyk?  
10 A. Yes.  
11 Q. Were you originally asked to be an expert?  
12 A. Yes.  
13 Q. And were you originally -- who were you asked by  
14 to be an expert?  
15 A. By Jamie.  
16 Q. Okay. And were you given, was there an  
17 engagement letter between the State of Arizona  
18 corporations commission and the National, it is called  
19 the National White Collar Crime organization, National  
20 White Collar Crime Center?  
21 A. I am not sure what you are talking about, an  
22 engagement letter.  
23 Q. Yes. When you were contacted to become an  
24 expert witness for the State, were you contacted by  
25 Jamie directly?

1 A. Yes.  
2 Q. Okay. It wasn't somebody within your  
3 organization who was contacted and then asked you to  
4 testify, to be an expert?  
5 A. No.  
6 Q. It was you specifically?  
7 A. Yes.  
8 Q. Okay. And did you know Mr. Palfai before that  
9 contact regarding this case?  
10 A. I was already working on the case with  
11 Mr. Palfai when he asked me to be an expert.  
12 Q. Okay. Let's get started from the beginning,  
13 then. How did you first learn of this case?  
14 A. Our organization was contacted by Pennsylvania  
15 Securities. And that was in, I think, the spring of  
16 '03.  
17 Q. Okay. How did you end up getting contacted?  
18 How did you end up getting in communication with Arizona  
19 or Mr. Palfai?  
20 A. Arizona contacted me later on that summer. They  
21 were interested in Arizona investors.  
22 Q. Was the first contact you had from Arizona from  
23 Mr. Palfai?  
24 A. No.  
25 Q. Who was it from?

1 A. Karen Houle.  
2 Q. Okay. And do you remember when that was  
3 approximately?  
4 A. It was the end of the summer in '03. I couldn't  
5 give you an exact date.  
6 Q. Okay. And what did she tell you?  
7 A. That they were interested in Arizona investors  
8 in this case.  
9 Q. Did she just want to know how many there were?  
10 What did she want to know about Arizona investors?  
11 A. I think she just wanted to know, I mean I can't  
12 recall all the details, but she just wanted to know how  
13 much money was going in and out of this particular, the  
14 particular account I was working on.  
15 Q. What account was that?  
16 A. That was the Yucatan Resorts National City Bank  
17 account ending in 8187.  
18 Q. Okay. We will get into that in a minute.  
19 During that conversation, was that conversation  
20 followed up by a letter from the State of Arizona?  
21 A. I don't think I received an initial letter.  
22 They just had to sign onto the case.  
23 Q. What does that mean?  
24 A. We have what is called a case designation. That  
25 is where like initially Pennsylvania Securities signed

1 on. And then we had to get Arizona to sign on too  
2 because we had agency members and we had to keep track  
3 that they wanted information from us. So there was no  
4 like initial letter from them or anything.

5 Q. Is Arizona an agency, what did you say agency  
6 member?

7 A. Yes.

8 Q. Is that like sort of a -- what does that mean,  
9 agency member?

10 A. We have, you have to be a member of an National  
11 White Collar Crime Center in order to receive help from  
12 us.

13 Q. And Arizona was a member?

14 A. Yes.

15 Q. And Pennsylvania was a member?

16 A. Yes.

17 Q. Same time?

18 A. Yes.

19 Q. So there was the case designation?

20 A. Uh-huh.

21 Q. And Arizona had to sign onto it. What does that  
22 mean?

23 A. They just -- hard to explain. I don't know like  
24 a lot of the details. A manager handles most of that.

25 But basically they just have to sign this form -- I

1 don't have it in front of me; I would have to look at  
2 it -- saying they are now going to be a part of what we  
3 are going to do, you know, part of our investigation of  
4 sorts, or our analysis actually.

5 Q. Did Ms. Houle tell you how she found out that  
6 you were even conducting an investigation or analysis?

7 A. I know they were in contact with Pennsylvania  
8 Securities but I don't know all the details of how they  
9 found out, you know, or got my specific name.

10 Q. I see. Did Ms. Houle ever tell you how they got  
11 your name?

12 A. I know, I mean I know now since talking to  
13 investigators at Pennsylvania Securities that they  
14 passed on the information.

15 Q. Who did you talk with in Pennsylvania?

16 A. Dick Kiehl.

17 Q. Okay. And in your conversations with Mr. Kiehl,  
18 did he tell you that he mentioned your name to Arizona?

19 A. Actually Arizona contacted me first. And then I  
20 called Mr. Kiehl to ask him was it okay to talk to them  
21 about the investigation.

22 Q. And what did he say?

23 A. And he said that it was fine, that he had passed  
24 on the information.

25 Q. Did he -- oh, so he, Mr. Kiehl, told you that he

1 had called Arizona?

2 A. I don't know if he called Arizona or they  
3 contacted him. That I don't know. But I know he gave  
4 them my information.

5 Q. Did Mr. Kiehl give you -- strike that. Did you  
6 ever ask -- strike that.

7 Did you ever pass on to the Arizona Staff,  
8 whether it be Ms. Houle or Mr. Palfai or anyone else in  
9 Arizona, any of the documents that you had been provided  
10 by Pennsylvania?

11 A. Yes.

12 Q. Okay. So what documents did Pennsylvania  
13 provide you with?

14 A. Pennsylvania actually provided me with the Bank  
15 of Miami records. I think, I am not sure the account  
16 number off the top of my head, but I think that was the  
17 World Phantasy Tours.

18 Q. Okay. Let's see if I can locate it here. Bank  
19 of Miami, there is a document --

20 MR. ROSHKA: Joel, when you move away from the  
21 phone, it is difficult to hear you.

22 MR. HELD: Okay, I am sorry.

23 MR. ROSHKA: That's all right.

24 BY MR. HELD:

25 Q. There is a document, it is marked as

1 Exhibit S-32b

2 A. All right. I have got those in front of me.  
3 Hold on. Okay, yes.

4 Q. Is that the account you are talking about?

5 A. Yes, that's the account.

6 Q. That's the First Bank of Miami, World Phantasy  
7 Tours, Inc. account 330023322.

8 A. Yes.

9 Q. You obtained those records from Pennsylvania?

10 A. Yes.

11 Q. And then you gave those records to Arizona?

12 A. Yes. I passed them on to Arizona at a later  
13 time. I am not sure, I can't recall the exact date,  
14 though.

15 Q. Did Pennsylvania -- strike that. Did Mr. Kiehl  
16 authorize you to provide the Arizona corporations  
17 commission with those records?

18 A. Yes.

19 Q. Okay. Just so we are clear, who was the main  
20 person you were dealing with in Arizona at the Arizona  
21 corporations commission?

22 A. I talked with Marcia Taplin the most.

23 Q. Okay. Did you exchange any correspondence with  
24 her?

25 A. I mean we talked back and forth.

1 Q. How about e-mails?  
 2 A. Yes, we e-mailed each other.  
 3 MR. HELD: And I am going to call for production  
 4 of all of those e-mails both to and from, Jamie.  
 5 MR. PALFAI: Mr. Held, I don't believe those  
 6 e-mails are relevant to the reports.  
 7 MR. HELD: Quite frankly, I don't care whether  
 8 you think they are relevant. I am just asking are you  
 9 going to produce them.  
 10 MR. PALFAI: No, I am not. She is not an expert  
 11 in this proceeding.  
 12 MR. HELD: If she is a fact witness, I am  
 13 entitled to everything that she, every communication she  
 14 had with the State.  
 15 MR. PALFAI: Well, we can hash it out with  
 16 Mr. Stern.  
 17 MR. ROSHKA: We are not going to get anywhere  
 18 with Jamie. We will just deal with Marc.  
 19 MR. HELD: Okay.  
 20 BY MR. HELD:  
 21 Q. As far as other than e-mails, did you have any  
 22 letters to and from Ms. Taplin?  
 23 A. I don't think so. And if they were, it was  
 24 just, you know, she sent me some supplemental documents  
 25 later on down the road. And it was just saying, you

1 A. He is not there anymore.  
 2 Q. What was his name?  
 3 A. Mike Paris.  
 4 Q. As in Paris, France?  
 5 A. Uh-huh.  
 6 Q. Okay. There is a Paris, Texas, but anyhow. As  
 7 far as, so you were the main contact for NW3C -- how do  
 8 you best refer, how do you prefer to refer to the  
 9 National White Collar Crime Center? It is kind of a  
 10 mouthful.  
 11 A. You can call it NW3C.  
 12 Q. Okay.  
 13 A. That's easier.  
 14 Q. Okay. So you were the, if I am correct, you  
 15 were the main contact of NW3C with the State of Arizona  
 16 regarding this case?  
 17 A. Yes.  
 18 Q. And we were talking about the e-mails between  
 19 you and Ms. Taplin. What was the subject of some of  
 20 those e-mails?  
 21 MR. PALFAI: Objection.  
 22 THE WITNESS: Really --  
 23 MR. PALFAI: Objection. Those materials are  
 24 confidential and not discoverable. I am going to  
 25 instruct the witness not to answer that.

1 know, here are wire transfers for account  
 2 blah-blah-blah, but nothing, nothing other than that.  
 3 MR. HELD: Okay. Have those wire transfers been  
 4 produced, Mr. Palfai?  
 5 MR. PALFAI: Excuse me?  
 6 MR. HELD: I am sorry?  
 7 MR. PALFAI: I am sorry. What was the question?  
 8 MR. HELD: I said have those wire transfers,  
 9 those supplemental documents that were provided by  
 10 Ms. Taplin to Ms. Slazyk been produced?  
 11 MR. PALFAI: Yes. All the bank information  
 12 underlying the exhibits have been produced.  
 13 MR. HELD: Okay.  
 14 BY MR. HELD:  
 15 Q. Now, was there written communication between you  
 16 and/or between -- let me back up a second.  
 17 Was there any other person at the National White  
 18 Collar Crime Center that had communication with Staff of  
 19 the Arizona Corporation Commission regarding this case?  
 20 A. The only other person that talked to any of  
 21 those guys was my boss. But that was just mostly about  
 22 case designation and things like that, like the  
 23 paperwork side of things, but he is actually gone.  
 24 Q. You say he is gone. What do you mean? He is  
 25 not there anymore?

1 BY MR. HELD:  
 2 Q. Are you going to refuse to answer?  
 3 A. Yes.  
 4 MR. ROSHKA: Could we, Mr. Held, could we ask  
 5 Mr. Palfai to put on the record why he believes they are  
 6 confidential and not discoverable.  
 7 MR. PALFAI: It is, as a nonexpert you are not  
 8 entitled to her personal e-mails, and especially since a  
 9 lot of those communications are confidential and  
 10 privileged. You are not going to get them. You are not  
 11 going to obtain them physically, and, therefore, I am  
 12 not going to let you talk about them during this  
 13 deposition.  
 14 MR. ROSHKA: Could you tell us which privilege  
 15 you are relying on.  
 16 MR. PALFAI: There are a number of privileges  
 17 that apply. First of all, she is not an expert so you  
 18 are not entitled to all her notes in this matter, and  
 19 e-mails.  
 20 Second of all, there is an investigative  
 21 privilege. There is interagency privilege at stake  
 22 here. And there is confidentiality privileges.  
 23 MR. ROSHKA: Any other privileges you are  
 24 relying on?  
 25 MR. PALFAI: Those are, I think those will

1 suffice at this time.  
2 MR. ROSHKA: No. Are there any other privileges  
3 you are relying upon for your position?  
4 MR. PALFAI: I may come up with several more.  
5 Those are the ones at this point I will cite to you.  
6 MR. HELD: I think the rules require you to tell  
7 us if there is a privilege.  
8 MR. PALFAI: I already told you three, Mr. Held.  
9 MR. HELD: Sorry?  
10 MR. PALFAI: I already, I have already told you  
11 three, and I don't want to limit myself. There may be  
12 others.  
13 MR. HELD: Well, you don't understand. I do  
14 want to limit you, because the bottom line to the  
15 deposition is we have a right to know the privileges so  
16 that we go and ask to have the witness compelled to  
17 produce documents and answer questions, we are not blind  
18 sided and surprised by something brand new that you may  
19 dream up.  
20 MR. PALFAI: Okay. Well, Mr. Held, I have  
21 already told you I am not going to -- I am going to  
22 challenge you, you receiving any of those documents.  
23 And now you are asking what the substance of those  
24 documents are. I am not going to allow it. We can talk  
25 to Mr. Stern about it. I will be happy to.

1 MR. ROSHKA: You are ordering the witness to  
2 refuse to answer questions right now, not sometime in  
3 the future. So if you have other privileges,  
4 Mr. Palfai, please put them on the record.  
5 MR. PALFAI: I have covered three. I will limit  
6 myself to three at this time. There may be others.  
7 BY MR. HELD:  
8 Q. Okay. Again, Ms. Slazyk, let me ask you, I am a  
9 little -- let's go back. When you, when you are first  
10 contacted, was there, by the State of Arizona, was  
11 there, or any time, was there an engagement letter that  
12 was entered into, some letter from the Arizona  
13 corporations commission saying we would like the NW3C to  
14 assist us in this regard, X, whatever that was.  
15 MR. PALFAI: I am going to have to object. You  
16 asked that twice already, Mr. Held.  
17 MR. HELD: Object all you want.  
18 BY MR. HELD:  
19 Q. But you may answer the question, ma'am.  
20 A. I have told you how we do it here. I don't  
21 have, I mean I don't see a letter on my desk right now  
22 that says, you know, that they wanted to engage in this.  
23 Pennsylvania Securities were the ones who started this.  
24 Q. I understand that. But I am wondering whether  
25 anything came in that you talked about a, you talked

1 about some sort of -- not a tax -- what did you call it?  
2 A. The case designation form.  
3 Q. Case designation, is that a written document?  
4 A. Yes. It is actually Pennsylvania Securities.  
5 They put in for the case designation. But other  
6 agencies have to sign on if they want to also receive  
7 help from us. But there is no letter. They didn't put  
8 in for it, Arizona didn't.  
9 Q. I see. So Pennsylvania started the ball rolling  
10 with a case designation?  
11 A. Yes.  
12 Q. And then if another state wants to come onto it,  
13 they have to ask to be added to it?  
14 A. Yes.  
15 Q. Okay. And it is then, are they, as in Arizona,  
16 then sent a copy of this case designation and then they  
17 add their names to it, or how physically is it done?  
18 A. They have to, they have to sign a copy. Like I  
19 had to, we have to mail them a copy. They have to sign  
20 it and send it back to us so we have the original. I do  
21 not have the original. By boss took care of all that  
22 paperwork. And I have -- I don't know where it is.  
23 Q. Do you have a copy of it?  
24 A. Do I? I might in my folder. I would have to  
25 look at it, though. I don't know if I am allowed to do

1 it while I am sitting right here.  
2 Q. If it is in front of you, sure.  
3 A. Hang on. Let me see if there is a copy. What  
4 they signed, yes, I have a copy. Let's see. Here it  
5 is.  
6 Q. What is the date of it?  
7 A. The date that Arizona actually signed this, it  
8 says 3/1/04. Yes, they didn't actually sign it until  
9 '04.  
10 Q. Okay. But your recollection is that your first  
11 conversations with Ms. Houle were in the end of the  
12 summer of '03, I believe is what you said?  
13 A. Yes, yes.  
14 Q. So there was a period of several months while  
15 you were working on the case on -- strike that.  
16 So is it a fact that there were several months  
17 that you were working on the case on behalf of Arizona  
18 before this case designation was signed by Arizona?  
19 A. Yes. I was working with Pennsylvania and  
20 Arizona at the same time during this.  
21 Q. Could I ask that, at a break, you fax a copy of  
22 that case designation to Mr. Roshka. We will give you  
23 his fax number.  
24 A. I guess if I am allowed to.  
25 MR. PALFAI: Well, I am going to hold back on

1 any of these documents until we go in front of  
2 Mr. Stern, because I don't think it is appropriate at  
3 this point to delve into her documents when I don't  
4 think you have a right to get to those documents.  
5 MR. HELD: Are you instructing her not to fax it  
6 to us?  
7 MR. PALFAI: Yes.  
8 BY MR. HELD:  
9 Q. And, Ms. Slazyk, are you going to follow his  
10 instruction?  
11 A. Yes.  
12 Q. Okay. Other than Pennsylvania and Arizona, have  
13 you provided information regarding this case and Resort  
14 Holdings International or Yucatan to any other agencies?  
15 MR. PALFAI: Objection. I am going to instruct  
16 the witness not to answer. That is confidential  
17 information, and she is not going to answer that  
18 question.  
19 MR. HELD: Okay. And I guess I am a little --  
20 Are you going to refuse to answer that question,  
21 ma'am --  
22 A. Yes.  
23 Q. -- upon advice of Mr. Palfai?  
24 A. Yes.  
25 MR. HELD: Mr. Palfai, I am a little confused

1 about something. You are claiming confidential  
2 information. Like whose confidential information?  
3 MR. PALFAI: All communications, interagency  
4 communications, are bound by confidentiality agreements.  
5 And we are not going to tell you what other agencies, if  
6 there are any, are involved in this.  
7 MR. HELD: Okay. But I am not asking for  
8 Arizona's records. I am asking for NW3C's records.  
9 MR. PALFAI: I am advising Ms. Slazyk not to  
10 answer that because it is confidential and privileged  
11 information.  
12 BY MR. HELD:  
13 Q. Ms. Slazyk, is Mr. Palfai representing you?  
14 A. I am working with them.  
15 Q. I understand that. But have you hired  
16 Mr. Palfai as your counsel in this case?  
17 A. No.  
18 Q. Has NW3C hired Mr. Palfai as your counsel in  
19 this case?  
20 A. No.  
21 Q. Has NW3C or yourself hired anyone from the  
22 Arizona Corporation Commission as your counsel in this  
23 case?  
24 A. No.  
25 Q. Okay. Am I correct, my understanding is that

1 NW3C is a nonprofit corporation, is that right?  
2 A. We are not a nonprofit group.  
3 Q. And you are federally funded, correct?  
4 A. Yes.  
5 Q. You are not funded -- strike that.  
6 You are not an agency or an arm of the Arizona  
7 state government, are you?  
8 A. No.  
9 Q. And you are not, and you are not an arm or a  
10 subsidiary or an agency of the federal government, are  
11 you?  
12 A. We are just nonprofit, funded by the federal  
13 government.  
14 Q. And when I say you, I am talking about NW3C.  
15 A. Yes.  
16 Q. Let me clarify the question again. NW3C, NW3C,  
17 is it correct -- strike that.  
18 Is NW3C an agency or arm of the federal  
19 government?  
20 A. No. We are just funded.  
21 Q. Okay. And is it, is NW3C an arm or agency of  
22 the State of Arizona?  
23 A. No.  
24 Q. The State of Pennsylvania?  
25 A. No.

1 Q. Any other state?  
2 A. No.  
3 Q. Okay. Is it an agency, subsidiary or arm of any  
4 agency of the federal government, including the United  
5 States Securities and Exchange Commission?  
6 A. I am -- I really don't know all the ins and outs  
7 of the agency. I just know we are funded by Congress  
8 and we fall under the Department of Justice.  
9 Q. Are you an agency of the fed -- of the  
10 Department of Justice?  
11 A. No, I don't think we are, no.  
12 Q. Are you an employee of the federal government?  
13 A. No.  
14 Q. Or employee of NW3C?  
15 A. Employee of NW3C.  
16 Q. Okay. Okay. With respect to this case, and by  
17 this case I am talking about the Pennsylvania or Arizona  
18 investigations of Resort Holdings International or  
19 Yucatan Resort, S.A., or any of the Yucatan companies  
20 that are a subject respondent in this action, have you  
21 discussed any of the facts with any agencies other than  
22 Pennsylvania or Arizona?  
23 MR. PALFAI: Object. Mr. Held, obviously that's  
24 the same question worded differently.  
25 MR. HELD: I am asking whether she has.

1 BY MR. HELD:  
 2 Q. I am not asking with whom, just have you?  
 3 MR. PALFAI: I am going to instruct her not to  
 4 answer that question. She is not going to get into any  
 5 agency she has spoken with or had communications with or  
 6 whether she has in fact had any. That is privileged,  
 7 confidential communications. You can take it up with  
 8 the NW3C counsel, if you want.  
 9 MR. ROSHKA: I don't understand, Mr. Palfai, how  
 10 you can instruct a witness who is not your client not to  
 11 answer questions --  
 12 MR. PALFAI: She is my witness.  
 13 MR. ROSHKA: -- in a deposition.  
 14 MR. PALFAI: I have a duty to protect her from  
 15 disclosing confidential privileged communications.  
 16 MR. ROSHKA: I disagree. She is not your  
 17 client, so I don't see where you have a basis to  
 18 instruct her on anything.  
 19 MR. HELD: Just so the record is clear,  
 20 Mr. Palfai, you have no right whatsoever to instruct her  
 21 not to answer. And it is up to her, if she thinks she  
 22 has a privilege, it is up to her to raise the privilege,  
 23 not her. It is not your privilege. It is the State of  
 24 Arizona's privilege. If there is a privilege or  
 25 confidentiality issue, that is an issue to be raised by

1 that.  
 2 Is there a general counsel in NW3C, in-house  
 3 counsel?  
 4 A. Yes, we do have a lawyer. I don't know what her  
 5 title is, but yes.  
 6 Q. And have you spoken to her about whether or not  
 7 there is a privilege or confidentiality provision  
 8 relating to information that NW3C may have?  
 9 A. No, I have not talked to her.  
 10 MR. HELD: And just so the record is clear,  
 11 Mr. Palfai, if Mr. Stern rules that your conduct in  
 12 instructing her, Ms. Slazyk, not to answer our questions  
 13 are sanctionable and we have to incur expense to take  
 14 her deposition a second time and that that sanction is  
 15 our sanction, what you are saying is you have an  
 16 obligation to personally pay that sanction, is that what  
 17 you are saying?  
 18 MR. PALFAI: No, that's not what I am saying at  
 19 all, Mr. Held, not even close. I didn't instruct her to  
 20 answer no questions. I am instructing her not to answer  
 21 the inappropriate questions. You are asking about  
 22 interagency contacts. And, no, I am not going to  
 23 personally pay for a second deposition.  
 24 MR. HELD: I see.  
 25 BY MR. HELD:

1 the NW3C or Ms. Slazyk and not you.  
 2 BY MR. HELD:  
 3 Q. And again I will ask you, Ms. Slazyk, are you  
 4 willing to testify about issues relating to contacts  
 5 between the NW3C and agencies other than -- government  
 6 agencies -- other than Arizona and Pennsylvania?  
 7 MR. PALFAI: Mr. Held, once again I am going to  
 8 object. She may not have hired me but I am -- she is my  
 9 witness in my case and it is my obligation as an  
 10 attorney to advise her on the proper course of action.  
 11 And I am going to tell her not to answer those questions  
 12 because those questions are asking for privileged  
 13 confidential information between interagency contacts  
 14 and it would be inappropriate for her to speak to those  
 15 matters. And I don't care if she has hired me or not, I  
 16 am going to advise her not to answer those.  
 17 BY MR. HELD:  
 18 Q. And, Ms. Slazyk, are you going to follow that  
 19 advice?  
 20 A. Yes.  
 21 Q. Have you spoken to anybody at NW3C about the  
 22 fact that you were testifying today?  
 23 A. I mean everybody knew I had a deposition today,  
 24 but I haven't talked about the details, no.  
 25 Q. Have you contacted or spoken with -- strike

1 Q. Okay, Ms. Slazyk, let's get back to your  
 2 contacts with Arizona. In speaking with Arizona, with  
 3 either Mr. Palfai or Ms. Taplin, did you discuss what it  
 4 is that Pennsylvania had asked you to do?  
 5 MR. PALFAI: Objection. That is vague and  
 6 ambiguous.  
 7 BY MR. HELD:  
 8 Q. Do you understand what I am asking you, ma'am?  
 9 A. Not really.  
 10 Q. When you were hired, when NW3C was hired by  
 11 Pennsylvania in connection -- and this case designation  
 12 form was filled out, what did Pennsylvania ask the NW3C  
 13 to do?  
 14 A. We were not hired by them. I just want to make  
 15 that known. They asked us to analyze financial records.  
 16 Q. When you say you were not hired by them, oh, you  
 17 mean, because they were a member, they simply make a  
 18 request?  
 19 A. Yes.  
 20 Q. I see, okay. So you were asked to analyze  
 21 financial records?  
 22 A. Yes.  
 23 Q. Were you asked to reach any opinions or  
 24 conclusions about those financial records?  
 25 A. I can't recall everything off the top of my head

1 that Mr. Kiehl and I spoke about. But, you know, he  
2 wanted me to go through these financial records and, I  
3 guess, see what was going on.  
4 Q. Did Mr. Kiehl tell you where he got the  
5 financial records from?  
6 A. I am assuming he had them subpoenaed.  
7 Q. Okay. Do you know that or is that just an  
8 assumption?  
9 A. That's an assumption. You will, you would have  
10 to ask him.  
11 Q. Okay. And it was, was it just this First Bank  
12 of Miami, World Phantasy Tours, account number 33003322?  
13 A. That's the only thing I received from him, the  
14 Pennsylvania Securities. That's the only bank account I  
15 received from them.  
16 Q. Okay. Which was the First Miami. And what  
17 other records besides the bank account records, if any,  
18 did you receive from Pennsylvania?  
19 A. From Pennsylvania, the only other thing I  
20 received from them was a contract.  
21 Q. And --  
22 A. Or the Universal Lease agreement, I guess is  
23 what you call it.  
24 Q. I see. The actual Universal Lease, three option  
25 agreement, is that right?

1 A. Yes. I think that's what it is called.  
2 Q. Okay. And had you communicated to Arizona any  
3 of the conclusions or work product that you performed on  
4 the financial records that you received from  
5 Pennsylvania regarding World Phantasy Tours?  
6 A. I didn't do a lot with the World Phantasy Tours.  
7 They actually took over that account.  
8 Q. I am sorry. Who took over that account?  
9 A. Arizona securities actually ended up sending it  
10 to them later on down the road.  
11 Q. Oh, I see, so did Arizona ask you to do any  
12 analysis of the First Bank of Miami, World Phantasy  
13 account, World Phantasy Tours, Inc. account ending 3322?  
14 A. I actually passed it off on them because I was  
15 working on the National City Bank records and I couldn't  
16 do all of the account myself.  
17 Q. Who at the Arizona Commission did you, quote,  
18 pass it off to?  
19 A. I mailed those records off to Marcia Taplin.  
20 Q. Okay. And you reviewed, and then you continued  
21 your review with respect to other records?  
22 A. I was doing data entry for the National City  
23 Bank account ending in 8187. That's what I mainly  
24 worked on.  
25 Q. Okay. I don't know if I have that one. Hold

1 on.  
2 Okay. So there was an account that you were  
3 working on, which was the Yucatan Resorts National City  
4 Bank account 584928187?  
5 A. Yes.  
6 Q. Where did you get the records -- strike that.  
7 Did you receive records of that bank account?  
8 A. Yes.  
9 Q. And where did you receive those records from?  
10 A. From Indiana Securities.  
11 Q. And who would the Indiana Securities -- is that  
12 Division, or Commission I guess?  
13 MR. PALFAI: I am going to have to instruct  
14 Ms. Slazyk to withhold the name of that person at this  
15 moment.  
16 MR. ROSHKA: What is the basis for that?  
17 BY MR. HELD:  
18 Q. And are you going to follow those instructions?  
19 A. Yes.  
20 MR. HELD: Can I ask, Mr. Palfai, under what  
21 basis she is going to withhold that?  
22 MR. PALFAI: Well, interagency confidentiality  
23 agreements that may be at play here. And Ms. Taplin may  
24 be able to address that in more detail after I consult  
25 with her.

1 MR. HELD: As to what?  
2 MR. PALFAI: After I consult with her.  
3 BY MR. HELD:  
4 Q. Okay. An interagency confidentiality agreement.  
5 Is there a written, Ms. Slazyk, are you aware of a  
6 written, interagency written confidentiality agreement  
7 to which either Arizona, Indiana, or Pennsylvania are  
8 signatories?  
9 A. I am not aware of that.  
10 MR. HELD: Mr. Palfai, can I ask what you are  
11 talking about?  
12 MR. PALFAI: Is this -- am I being deposed at  
13 this point?  
14 MR. HELD: No. I am just asking you. You are  
15 claiming that there may be or there is an interagency  
16 confidentiality agreement and I am asking what that is.  
17 MR. PALFAI: That is the basis for my  
18 instructions for her not to answer your questions.  
19 MR. HELD: Is there such a written document,  
20 Mr. Palfai?  
21 MR. PALFAI: In general, that are either oral or  
22 written, but they exist. There is always, they exist  
23 through the natural course of cooperation, they are  
24 always entered into between agencies.  
25 MR. HELD: Well, I would make a demand for a

1 copy of the interagency confidentiality agreement to  
2 which you are referring and upon which you are basing  
3 your instruction to Ms. Slazyk to refuse to answer our  
4 questions regarding contacts between her agency, I am  
5 sorry, between the NW3C and other agencies. Are you  
6 going to produce that document?  
7 MR. PALFAI: Or those documents? I am going to  
8 have to discuss that with my co-counsel.  
9 MR. HELD: So you are refusing to do it as we  
10 speak?  
11 MR. PALFAI: Well, I don't have anything in  
12 front of me, Mr. Held. So I will get back to you on  
13 that.  
14 Obviously, if we give you those interagency  
15 agreements, then you are going to know what agencies are  
16 involved. So, no, I am not going to give you those, on  
17 second thought.  
18 MR. HELD: Nor even tell me whether they even  
19 exist?  
20 MR. PALFAI: They definitely exist.  
21 MR. HELD: Okay.  
22 MR. PALFAI: Not necessarily written, either an  
23 oral agreement or written agreement. It depends on,  
24 depends on the agency.  
25 BY MR. HELD:

1 assuming it, do you have any personal knowledge of how  
2 the Indiana Securities Commission came by the records of  
3 the bank account 8187 that ends in 8187?  
4 A. They subpoenaed them.  
5 Q. I am sorry?  
6 A. They subpoenaed them.  
7 Q. How do you know that?  
8 A. I don't know 100 percent sure.  
9 Q. Again, I am not trying to trick you. I am just  
10 trying to ask you --  
11 A. They don't --  
12 Q. -- not an assumption on your part, I am not  
13 asking you to speculate, I am asking your personal  
14 knowledge. Do you have any personal knowledge as to how  
15 those records for account number 8187 were obtained by  
16 the Indiana Securities Commission?  
17 A. I gave you my answer.  
18 Q. Okay. To your knowledge, did Arizona provide  
19 you with any bank records?  
20 A. Later on down the road they supplied me with  
21 some additional records for account 8187.  
22 Q. And which records did Arizona provide you with?  
23 A. They provided me with some additional wire  
24 transfers that we did not have in the beginning. And I,  
25 I think they supplied us with some checks, too.

1 Q. Ms. Slazyk, are you aware of any interagency  
2 confidentiality agreements or any confidentiality  
3 agreements to which NW3C is a party?  
4 A. I don't know the answer to that. I have no  
5 idea.  
6 Q. Okay. Let's get back to the account which ends  
7 in the, which is the National City Bank account that  
8 ends in 8187.  
9 Now, these were records that you obtained from  
10 Indiana. When you say records, you are talking about  
11 the records of the bank account?  
12 A. I am talking about the financial records, yes,  
13 checks, wire transfers, bank statements, et cetera.  
14 Q. Okay. And so, and you analyzed those documents?  
15 A. Yes.  
16 Q. And do you know how the Indiana Securities  
17 Commission, I don't want you to assume, but do you know  
18 how the Indiana Securities Commission obtained those  
19 bank records from the National City Bank account number  
20 8187?  
21 A. I am going to have to assume that they  
22 subpoenaed the records.  
23 MR. PALFAI: I am going to --  
24 BY MR. HELD:  
25 Q. But that's an assumption. I am asking, without

1 Q. In the file, do you have a way of knowing which  
2 records were actually supplied by Arizona's Corporation  
3 Commission and which records were actually supplied by  
4 the Indiana Securities Commission?  
5 A. I have a chain of custody.  
6 Q. Okay. Is that a written chain of custody?  
7 A. Yes.  
8 Q. And is that written chain of custody, do you  
9 have Bates Nos. on it or stamp numbers on it that you  
10 know which document numbers were supplied by which  
11 agency?  
12 A. I have Bates Nos., but I just wrote it down what  
13 I received from which agency.  
14 Q. Okay. I am going to call for production of the  
15 chain of, written chain of custody. Could you send that  
16 to us, please?  
17 A. I guess.  
18 MR. PALFAI: Well, Mr. Held, all the documents  
19 that you want to get from Ms. Slazyk we can address on  
20 Monday morning.  
21 MR. HELD: I beg your pardon?  
22 MR. PALFAI: We can address on Monday morning.  
23 MR. ROSHKA: Well, are you, Mr. Palfai, are you  
24 objecting to Ms. Slazyk providing these documents to us?  
25 Because I thought I heard her say, in response to

1 Mr. Held's question whether she would send those  
 2 documents, she said, "I guess," which I took as a yes.  
 3 Are you objecting to her doing that?  
 4 MR. PALFAI: I haven't seen the document. I  
 5 need to review it before I would want to make a final  
 6 determination on whether it is something that could be  
 7 produced.  
 8 MR. HELD: And I guess I am asking. You also  
 9 said Monday morning; you are talking about next Monday?  
 10 MR. PALFAI: Yes.  
 11 MR. HELD: Okay.  
 12 BY MR. HELD:  
 13 Q. Okay. So I am a little confused now.  
 14 Ms. Slazyk, are you going to refuse to provide us with a  
 15 written chain of custody until you get permission from  
 16 Mr. Palfai or instructions from the hearing examiner to  
 17 do that?  
 18 MR. PALFAI: Mr. Held, what I can do is I can  
 19 have her, Ms. Slazyk, send that to me, and I will take a  
 20 look at it. And if I think it is, it is okay, I will  
 21 send it to you before next Monday. If I don't, then we  
 22 can take it up with Judge Stern on Monday.  
 23 MR. HELD: I think that's going to work with all  
 24 the documents because I am asking her for additional  
 25 documents. I am keeping a list and I am sure we will

1 provided by Arizona? Are we talking about a boxful? A  
 2 handful? An inch full? How many pieces of paper?  
 3 A. I can't recall off the top of my head, maybe a  
 4 box. I am not 100 percent.  
 5 Q. Okay. When did you receive those records from  
 6 Arizona?  
 7 A. I don't know the exact date.  
 8 Q. Would that be in your chain of custody?  
 9 A. Yes.  
 10 Q. Do you have a chain of custody there with you?  
 11 A. It is in my office, yes.  
 12 Q. How long would it take you to look and see when  
 13 you received those records from Pennsylvania --  
 14 A. Yes, I can look.  
 15 Q. -- from Arizona?  
 16 MR. PALFAI: Mr. Held, until I review that  
 17 document, I am not going to produce it to you. So you  
 18 are obviously not going to get the substance of that  
 19 document by asking her. I am going to object to that.  
 20 So I don't know if you want to go there.  
 21 MR. HELD: Are you going to instruct her not to  
 22 answer the question?  
 23 MR. PALFAI: Well, you haven't asked a question  
 24 yet. I am not going to produce it right now until I  
 25 review it. And I am not going to allow her to answer it

1 give you that list sometime after the deposition.  
 2 MR. PALFAI: That will be helpful.  
 3 BY MR. HELD:  
 4 Q. Okay. This written chain of custody, Ms.  
 5 Slazyk, does it show the agency from which you received  
 6 the records and what you did with those records  
 7 afterwards?  
 8 A. It just shows wire received from an agency. It  
 9 doesn't say what I did with them.  
 10 Q. I see. And it doesn't say, or does it say where  
 11 the agency that you received it from obtained those  
 12 records?  
 13 A. That it does not say, no.  
 14 Q. Do you know where Arizona obtained -- now, you  
 15 told me earlier that Arizona obtained, I am sorry, that  
 16 Arizona provided you, with respect to the account that  
 17 ends in 8187, certain wire transfers and checks. Do you  
 18 know where the Arizona Corporation Commission obtained  
 19 those records from?  
 20 A. From National City Bank.  
 21 Q. Okay. And how do you know that?  
 22 A. I don't know 100 percent, because I have not  
 23 seen a subpoena.  
 24 Q. Okay. In the grand scheme of things, what kind  
 25 of volume of documents are we talking about that was

1 until I review it either.  
 2 BY MR. HELD:  
 3 Q. If I ask you questions about that document,  
 4 Ms. Slazyk, are you going to refuse to testify about  
 5 that document based upon Mr. Palfai's advice?  
 6 A. I am going to refuse to answer.  
 7 Q. Based upon Mr. Palfai's advice --  
 8 A. Yes.  
 9 Q. -- is that right?  
 10 A. Yes.  
 11 Q. Okay, thank you.  
 12 Now, you also said that it was, you thought it  
 13 was a box, meaning just one box? Because -- strike  
 14 that.  
 15 We have obtained from the State probably 15  
 16 boxes or more of bank records. I don't know whether  
 17 they came from you or came directly from the State.  
 18 Were you asked to produce records to us?  
 19 A. I sent Arizona some of the records, yes.  
 20 Q. When you say some, what do you mean by some?  
 21 A. Because some actually scanned in on CD. So you  
 22 probably have some on a CD or they were printed out. I  
 23 am not sure.  
 24 Q. Okay. So do you think what you, what Arizona  
 25 supplied you was one box of records?

1 MR. PALFAI: Objection. She already answered  
 2 that, Mr. Held. She said she couldn't be sure but she  
 3 could guess one box, could be more or less.  
 4 MR. HELD: All right. Mr. Palfai, really her  
 5 answer would have been a lot shorter than that speech.  
 6 BY MR. HELD:  
 7 Q. So, again, do you think it was one box, Ms.  
 8 Slazyk, or more than one box?  
 9 A. I don't know. I can't answer that.  
 10 Q. Okay. That's fine.  
 11 And from the various records, when you received  
 12 the records from Arizona, were you asked to do anything  
 13 with those records?  
 14 A. Yes. They were just additional records that I  
 15 needed to add in to the table.  
 16 Q. Did you ask for those records?  
 17 A. Did I?  
 18 Q. Yes.  
 19 A. Yes. I sent them a list of records that I  
 20 needed.  
 21 Q. Okay. Was that by e-mail?  
 22 A. No. I think, I don't remember how but I am sure  
 23 I called either Jamie or Marcia. I can't recall at this  
 24 time.  
 25 Q. Okay. Did you keep any kind of a log of

1 of information to this particular witness, which appears  
 2 to me to be documents relating to the financial analysis  
 3 that she conducted. And I think it is fair game -- I am  
 4 making a record here -- fair game for us to be able to  
 5 find out where these documents came from that she is  
 6 conducting an analysis of that you apparently feel she  
 7 needs to come to Arizona and be a witness about next  
 8 week.  
 9 So on the one hand you are producing stuff to  
 10 us. You have got schedules in there that she has  
 11 prepared. And yet you are not permitting us to inquire  
 12 into the source of these documents. Is that your  
 13 position?  
 14 MR. PALFAI: No, it isn't, Mr. Roshka. I don't  
 15 have any problem discussing where the documents came  
 16 from, the agencies that were involved in assisting in  
 17 getting the documents that made up the reports that are  
 18 part of our exhibits. What I am concerned with is going  
 19 beyond that into other areas, other agencies that may be  
 20 involved. I am not going to allow that. I can't allow  
 21 that. I have confidentiality agreements and I am not  
 22 going to violate those.  
 23 MR. ROSHKA: And these are the confidentiality  
 24 agreements that are either oral or in writing but you  
 25 have never seen, is that correct?

1 telephone calls or conferences with the states that you  
 2 spoke to regarding Yucatan?  
 3 MR. PALFAI: Objection. Again, Mr. Held, you  
 4 keep trying to find these agencies that may or may not  
 5 be investigating your client. I am not going to allow  
 6 the probing into that in any form. So you can keep  
 7 trying but I am going to keep instructing Ms. Slazyk not  
 8 to answer.  
 9 MR. HELD: Okay. My question wasn't about  
 10 agencies. And you know it very well, Mr. Palfai.  
 11 BY MR. HELD:  
 12 Q. My question was: Do you keep a log of  
 13 conversations you have with the agents with various  
 14 agencies regarding the Yucatan case?  
 15 A. I am not going to answer.  
 16 Q. Okay.  
 17 MR. PALFAI: If you want to ask about Arizona,  
 18 Mr. Held, feel free. If you are going to start delving  
 19 into other agencies, implying that there are other  
 20 agencies involved, then I am going to object.  
 21 MR. ROSHKA: Well, the record is pretty clear  
 22 that, while we are asking about Arizona, so far we know  
 23 Arizona has been in contact with both Pennsylvania and  
 24 Indiana on this case. So for some reason you seem to be  
 25 taking the position that we are not able to get the flow

1 MR. PALFAI: Well, the oral ones I definitely  
 2 haven't seen.  
 3 MR. ROSHKA: What about the written ones, have  
 4 you seen them?  
 5 MR. PALFAI: Yes, I have.  
 6 MR. ROSHKA: And which agencies have entered  
 7 into the confidentiality agreements that you have seen?  
 8 MR. PALFAI: Mr. Roshka, I don't know what  
 9 agencies I have entered into written ones. I don't know  
 10 which ones are oral. I don't even know which cases I  
 11 have seen.  
 12 MR. ROSHKA: Mr. Palfai, just tell us the best  
 13 you can recall every agency that you can recall Arizona  
 14 entering into a confidentiality agreement that you are  
 15 relying upon.  
 16 MR. HELD: You have to tell Mr. Stern so you  
 17 might as well tell us now.  
 18 MR. PALFAI: Can you repeat the question.  
 19 MR. HELD: Sure.  
 20 MR. ROSHKA: I realize Ms. Houle was writing a  
 21 note on your tablet to read. So let me do it again.  
 22 Could you tell us every confidentiality agreement that  
 23 you have seen that you are relying upon to instruct this  
 24 witness not to answer the question.  
 25 MR. PALFAI: I think I answered that I don't

1 recall at this point.  
2 MR. ROSHKA: I am asking for just one name, one  
3 agency.  
4 MR. PALFAI: I don't recall. I see them all the  
5 time, Mr. Roshka, as you can appreciate.  
6 MR. ROSHKA: Just so we are clear, you cannot  
7 recall the name of any agency that you entered -- and I  
8 know Ms. Houle is writing down another note on your  
9 tablet for you -- you cannot recall the name of any  
10 agency that you, that Arizona has entered into an  
11 agreement upon which you are instructing this witness  
12 not to answer Mr. Held's questions, is that correct?  
13 MR. PALFAI: I am not -- this isn't my  
14 deposition, Mr. Roshka. So why don't we just move on.  
15 MR. ROSHKA: We just want to know, Mr. Palfai,  
16 you are instructing her based upon the existence of  
17 confidentiality agreements not to answer questions, and  
18 I am asking you to tell me the name of one agency that  
19 you can recall seeing a written confidentiality  
20 agreement with.  
21 MR. PALFAI: Mr. Roshka, I am not telling you  
22 the agencies that are investigating this case. And you  
23 are trying to get through side doors, back doors, attic  
24 doors, basement doors. You are not going to get it.  
25 MR. ROSHKA: I asked you for the name of one.

1 file for this investigation, correct?  
2 A. Yes.  
3 Q. And how thick is that file?  
4 A. It is a folder. I mean I don't know how thick  
5 it is.  
6 Q. When you say a folder, obviously not including  
7 records of the bank because those would take up a room.  
8 A. Oh, no.  
9 Q. But just a folder. And in that folder you have  
10 got notes and correspondence and whatever your -- well,  
11 what is in that folder in categories?  
12 A. What are you asking?  
13 Q. What are the contents of that folder by  
14 category? Is there correspondence?  
15 A. I have chain of custody. I have correspondence,  
16 which is mostly actually FedEx forms. And then I have  
17 an activity log.  
18 Q. What does an activity log contain? I am not  
19 asking specifically for the information, but what is an  
20 activity log?  
21 A. Just kind of basics what I did on the case.  
22 Q. Oh, so sort of like time sheets?  
23 A. I mean it is to keep track of what we are doing.  
24 Q. Okay. I will ask that you produce a copy of  
25 your folder, your file.

1 MR. PALFAI: You are not going to get the name  
2 of an agency that I have a confidentiality agreement  
3 with.  
4 MR. ROSHKA: Okay.  
5 MR. PALFAI: I can tell you they exist and  
6 that's as far as I am going to go right now.  
7 MR. ROSHKA: I am done.  
8 MR. PALFAI: There could be handfuls.  
9 MR. ROSHKA: I am done, Mr. Held.  
10 MR. HELD: Okay.  
11 BY MR. HELD:  
12 Q. Ms. Slazyk, are you still with us?  
13 A. Yes.  
14 Q. Okay. If I understood your testimony, you do  
15 have a list. Maybe I misunderstood. Do you have a list  
16 which contains the documents that you requested that  
17 Arizona send you regarding Yucatan and account number  
18 8187?  
19 A. I do not have a list because I told, I can't  
20 remember who I talked to, but for some of the months we  
21 were missing some of the wire transfers.  
22 Q. Was there a cover letter when the records came  
23 to you from Arizona?  
24 A. I don't even, I can't remember. I can't recall.  
25 Q. Okay. Do you have a file for -- you maintain a

1 Mr. Palfai, are you going to object and tell her  
2 not to do it?  
3 MR. PALFAI: I haven't seen the file so, and I  
4 have no reason to believe there is any relevance to that  
5 file. The only thing relevant is her report. What she  
6 does on other matters during the course of the last  
7 couple years obviously is irrelevant to the proceedings.  
8 MR. HELD: I don't think you have been  
9 listening.  
10 BY MR. HELD:  
11 Q. What the folder -- I am assuming, Ms. Slazyk,  
12 the folder relates only to Yucatan or RHI, is that  
13 right?  
14 A. It relates to this Yucatan Resorts case.  
15 Q. Right, exactly. So I am going to ask that you  
16 produce that folder, certainly bring it with you, if --  
17 let me back up.  
18 Will you produce the folder to us today?  
19 MR. PALFAI: I am going to instruct her not to  
20 produce it to you. I haven't seen that either and I am  
21 sure there are confidential privileged materials in that  
22 folder. So I am going to instruct her not to produce  
23 it.  
24 BY MR. HELD:  
25 Q. Are you going to refuse to produce the folder,

1 Ms. Slazyk?  
2 A. At this time, yes, I refuse.  
3 Q. Okay. I am going to ask you, and indeed I am  
4 going to instruct you, that, if you do show up to  
5 testify next week, that you bring with you all of the  
6 records we have asked about today that Mr. Palfai has  
7 told you not to produce to us or not to discuss so that  
8 there can't be any question that, when Mr. Stern rules  
9 or if Mr. Stern rules that you should produce them to  
10 us, we will be able to have them as opposed to wasting  
11 the time to go back and get them. Will you do that for  
12 me?  
13 A. You are going to have to send me a list.  
14 Q. We will send you the list, whatever. Let me get  
15 your address. What is your address?  
16 A. It is 7401 Beaufont, B-E-A-U --  
17 Q. B-E-A-U.  
18 A. -- F-O-N-T, Springs Drive.  
19 Q. Uh-huh.  
20 A. That's Suite 300. And that's Richmond, Virginia  
21 23225.  
22 Q. Okay, okay. So you were doing, so you did an  
23 analysis there on this account that ends in 8187, right?  
24 A. Yes.  
25 Q. And were you given instructions by anyone as to

1 what kind of analysis to do, what information should be  
2 contained in the analysis?  
3 A. Yes.  
4 Q. And who gave you those instructions?  
5 A. Marcia Taplin and I talked about it.  
6 Q. And what did she tell you?  
7 A. They were trying to show where all the money  
8 came from, so basically all the deposits that went  
9 through, where the money came from, where the money came  
10 out.  
11 Q. Okay. And would you agree with me that what  
12 your -- strike that. And you did prepare that analysis?  
13 A. Yes.  
14 Q. And do you happen to know what exhibit numbers  
15 that analysis is in?  
16 A. S-31. That's it. That's only mine.  
17 Q. Is that the only one you did?  
18 A. Yes.  
19 Q. You didn't do one for S -- okay. So have you  
20 got that exhibit in front of you?  
21 A. Yes.  
22 Q. Okay. So S-31, and I have got two S-31s, so you  
23 will have to bear with me. One is an old one, S-31.  
24 The line that says source of funds -- well, first of  
25 all, the document, what does it say on the top?

1 A. Of my S-31?  
2 Q. Yes.  
3 A. It says Yucatan Resorts, National City Bank,  
4 account number 584928187, sources and use of funds for  
5 the period of February 11th, 2000 to October 31st, 2003.  
6 Q. Okay. And the source of funds, the number is  
7 154,955.32?  
8 A. That is 154 million.  
9 Q. I am sorry, 154,955,032?  
10 A. Yes.  
11 Q. Okay. Now, I have in my possession, because it  
12 was provided to me by Mr. Palfai, another document  
13 entitled S-31 that says prepared by Kelly Slazyk,  
14 National White Collar Crime Center, enforcement analyst.  
15 And it says Yucatan Resorts, National City Bank  
16 584928187, sources and use of funds for period 2/11/00  
17 through 12/31/01. Are you aware of that document?  
18 A. Yes. That was the first one I made.  
19 Q. Okay. So you did an old S-31?  
20 A. Yes.  
21 Q. And did you provide that to Arizona?  
22 A. Yes.  
23 Q. Ms. Taplin?  
24 A. Yes.  
25 Q. Okay. Why did you do a second one?

1 A. Because I was still doing data entry for the  
2 case when I created that one, the first one.  
3 Q. Okay. Let's call the old one S-31-O for old,  
4 okay?  
5 A. Okay.  
6 Q. That's the one that goes through 12/31/01. So  
7 the S-31-O is you -- when did you start on that, do you  
8 know?  
9 A. I can't recall the exact date. Yes, I would, I  
10 think it was last fall.  
11 Q. Okay. And did you end it as of 12/31/01 because  
12 those were the only records you had, or why the cutoff  
13 of 12/31/01?  
14 A. That's the records I had entered at the time.  
15 And I finished the rest of the data entry later.  
16 Q. Okay. So the records for S-31-O, which would  
17 have been 12/31/01, were the records, the data entries  
18 you had done at that time. For that document, S-31-O,  
19 did you have any records that were provided to you by  
20 Arizona?  
21 A. I can't recall, because I can't remember the  
22 additional wire transfers, from what year they were  
23 from. I would have to look at the chain of custody.  
24 Q. I see. So the best evidence of when you  
25 received information and where you received information,

1 from whom you received information is that chain of  
2 custody, is that right?  
3 A. Yes.  
4 Q. I am sorry?  
5 A. Yes.  
6 Q. And that is certainly better than your  
7 independent recollection of the events, is that correct?  
8 A. Yes.  
9 Q. And, similarly, in your folder that Mr. Palfai  
10 told you not to produce to us are notes that would  
11 clearly refresh your recollection or give specific dates  
12 to specific events of when you did some things as  
13 opposed to relying upon your recollection, is that  
14 correct?  
15 A. The chain of custody would help me out a lot,  
16 yes.  
17 Q. And the other notes in your folder would help  
18 you out as far as dates are concerned depending what  
19 questions you were asked, is that right?  
20 A. Yes. Now, you say what questions I was asked.  
21 I didn't put any questions on there.  
22 Q. No, no, no. I am saying, if I asked you a  
23 question about an event that occurred that is reflected  
24 in your notes in the folder, the notes would help you  
25 answer that question as opposed to relying upon a

1 recollection that you may not now have?  
2 A. Yes. My activity log would help.  
3 Q. Okay. All right. Now, getting back to S-31,  
4 the one that goes through October 31st, 2003, would you  
5 agree with me, would it be a fair statement to say that  
6 this Exhibit S-31 -- well, let me back up a minute.  
7 Strike that. Let me back up a second.  
8 The S-31 I have is four pages. Is yours four  
9 pages?  
10 A. Yes.  
11 Q. Okay. So the first page is a source and use of  
12 funds recap?  
13 A. Yes.  
14 Q. And pages 2, 3, and 4, which happen to be  
15 numbered pages 1 of 3, 2 of 3 and 3 of 3, is what?  
16 Details?  
17 A. That is detailed for some of them, yes.  
18 Q. For some of them but not all of them?  
19 A. Not all of them.  
20 Q. So what is, what does the first page of S-31,  
21 which is the summary -- just shows gross dollars in and  
22 gross dollars out, is that right?  
23 A. Yes.  
24 Q. Okay. And it says, on the first line is  
25 investors. Do you see where it says that?

1 A. Yes.  
2 Q. Okay. How do you know those proceeds came from  
3 investors?  
4 A. I was able to look at -- sometimes I would look  
5 at the memo field and, if it would say Universal Lease  
6 investment or gave a leasing number from an individual,  
7 I would categorize that as an investor. If I couldn't  
8 figure out if they were an investor, I would look at the  
9 payments, what I categorized as payments to investors,  
10 and cross-referenced the two. So if money was paid to a  
11 person or an individual, then I could figure out that  
12 they were an investor. That was one way.  
13 Q. Now, you have no personal knowledge of the  
14 identity of any of these, quote, investors, do you?  
15 A. No, I do not.  
16 Q. Okay. So everything you have that categorizes  
17 somebody as an investor, what you mean by investor is  
18 leaseholder, right, a person who purchased the lease?  
19 A. Yes.  
20 Q. And this is not somebody who, an investor who  
21 invested money in one of the companies, is it, in other  
22 words, bought stock of Yucatan Resorts S.A. or Resort  
23 Holdings International or anything like that? These are  
24 investors, your definition of investor in this summary  
25 is a person who purchased a lease?

1 MR. PALFAI: Objection; lack of foundation.  
2 THE WITNESS: Yes, I mean I would categorize an  
3 investor for this account. This is the only account I  
4 worked in.  
5 BY MR. HELD:  
6 Q. Okay. And your definition of that person is a  
7 person who purchased the lease?  
8 A. Yes.  
9 Q. Okay. And as I understand your testimony, that  
10 came from places such as the check memo, your  
11 interpretation and compilation of data based upon a  
12 cross-reference to payments made so far, is that right?  
13 A. Yes.  
14 Q. Did you receive a list of investors from or a  
15 list of leaseholders from the State of Arizona?  
16 A. No, I did not.  
17 Q. Did you ask anybody from the State of Arizona  
18 whether the group of people that you termed as, quote,  
19 investors, close quote, were actually Arizona residents  
20 who purchased leases?  
21 A. I would ask Marcia Taplin about certain people,  
22 if they were an investor. And she would let me know  
23 that they were listed, if they were listed on a sales  
24 agent list or the investor list that they had.  
25 Q. Would it be fair to say that, with respect to

1 the gross number of 154,955,032 of, quote, investor  
2 funds, that you did not have anyone at the State of  
3 Arizona double-check to make sure the people you  
4 included in that list were actually Arizona residents  
5 who purchased leases?  
6 A. You keep saying Arizona residents. This isn't  
7 just Arizona residents.  
8 Q. Okay.  
9 A. This is --  
10 Q. This is all people who bought leases?  
11 A. Yes.  
12 Q. Okay. Did you check, same question then, did  
13 you check -- strike that. Did you have anyone at  
14 Arizona, in the Arizona corporations commission, the  
15 Pennsylvania Securities Commission, Indiana Securities  
16 Commission, or any other agency double-check your  
17 analysis and inclusion of names in the group of people  
18 that you deemed to be, quote, investors to make sure  
19 they were actual leaseholders?  
20 A. I never had an investor list. And I sent, I  
21 sent this along with all the data entry I did to  
22 Arizona.  
23 Q. When you say data entry, what do you mean?  
24 A. I entered each individual check into an Access  
25 table.

1 Q. Into an Access table?  
2 A. Microsoft Access.  
3 MR. HELD: Paul, do we have anything like that?  
4 MR. ROSHKA: I don't recall seeing that.  
5 MR. HELD: Jamie, have you produced that?  
6 MR. PALFAI: Excuse me?  
7 MR. HELD: Are you sure?  
8 MR. PALFAI: Well, what was the question?  
9 MR. HELD: Why do you say uh-huh and not know  
10 what the question is?  
11 MR. ROSHKA: He didn't say uh-huh. He said  
12 excuse me.  
13 MR. HELD: I am sorry. Okay. I didn't mean to  
14 jump on you.  
15 Ms. Slazyk just testified that she sent to  
16 Arizona --  
17 An Access table did you say? I am sorry.  
18 THE WITNESS: Actually I sent it in Excel, an  
19 Excel spreadsheet.  
20 BY MR. HELD:  
21 Q. Excel spreadsheet. And on that spreadsheet was  
22 what?  
23 A. I would capture all of the check information.  
24 Q. So you had the name of the person who wrote the  
25 check?

1 A. Yes. I had the name of who signed it, who it  
2 was made payable to, what account it went to, what  
3 account it was from, what statement date it came from.  
4 MR. HELD: Okay. And I have no recollection,  
5 Jamie, of ever seeing anything like that.  
6 MR. PALFAI: If your question is did we produce  
7 that, I believe we produced the financial records  
8 underlying the reports and graphs.  
9 MR. HELD: I see. But not her actual report, is  
10 that right?  
11 MR. PALFAI: Her report?  
12 MR. HELD: Yes, her Excel spreadsheet that she  
13 just testified to.  
14 MR. PALFAI: No. I don't believe that was part  
15 of the agreed documents that were supposed to be  
16 produced.  
17 MR. HELD: I am sorry. I put you on hold for a  
18 second.  
19 BY MR. HELD:  
20 Q. Did you personally make up and prepare the first  
21 page of S-31?  
22 A. Yes.  
23 Q. Okay. So this is your work product showing  
24 investor identified items, et cetera?  
25 A. Yes.

1 Q. And would it be fair to say, or would it be  
2 accurate to say that the first page of Exhibit S-31 is a  
3 summary of records produced by Pennsylvania, Indiana,  
4 and Arizona?  
5 A. It is a summary of the bank account 8187, yes,  
6 those records.  
7 Q. Which were, as I understood it, provided to you  
8 by Pennsylvania, Indiana, and Arizona, is that right or  
9 incorrect?  
10 A. Pennsylvania only sent me the Bank of Miami, or  
11 First Bank.  
12 Q. So then to correct it, the first page of S-31 is  
13 a summary, was your summary of certain information  
14 contained in bank records provided to you by the Indiana  
15 Securities Commission and the Arizona Corporation  
16 Commission?  
17 A. Yes.  
18 Q. Any other agencies provide you with any of the  
19 data that comprises a portion of S-31, the cover page?  
20 A. No.  
21 Q. And page 2, 3, and 4, well, let's deal with just  
22 page 2 --  
23 A. Okay.  
24 Q. -- of Exhibit S-31. What is page 2?  
25 A. Are you talking about page 1 of 3?

1 Q. Yes.  
2 A. That one?  
3 Q. Yes.  
4 A. This is other sources of funds. These are, I  
5 mean you can see individuals on there who are -- I  
6 couldn't prove if they were investors or not or just  
7 companies. Such as, I don't know, you have Ruttenberg &  
8 Associates, Mutual State Bank. These are just -- I  
9 really don't know what these, all these entities or  
10 individuals were. I don't know if they were investors  
11 or other companies they owned. I wasn't -- you know.  
12 Q. Okay. So essentially all you did was transcribe  
13 the names of payors on certain checks as they appeared  
14 on the check?  
15 A. Yes.  
16 Q. Okay. From the period of October, I am sorry,  
17 from the period of February 11th, 2000 through  
18 October 31st, 2003, which is a period of time referred  
19 to on page 1 of the exhibit, to your knowledge do you  
20 have the bank statements and cancelled checks for each  
21 and every transaction referred to in that account ending  
22 in 8187 during that period of time?  
23 A. I do not have each and every individual  
24 cancelled check, wire, I don't have everything.  
25 Q. Okay. So what you are saying is this is based

1 upon your, your S-31 cover sheet, that is a recap based  
2 upon data that does not capture each and every  
3 transaction or entry in that account for the period  
4 recorded?  
5 A. Yes, I don't have each and every transaction.  
6 That's why there is unidentified items.  
7 Q. Okay. And is that true with respect to page 1  
8 of 3, which is the second page of that exhibit?  
9 A. This page 1 of 3, these are captured from checks  
10 I actually, or wire transfers, whatever you want to call  
11 them, what I actually had.  
12 Q. Okay. And so there could be other payments into  
13 the account from other sources?  
14 A. Yes. And that's the unidentified items.  
15 Q. I am not sure I see unidentified items. Oh, I  
16 see unidentified items on --  
17 A. The first page.  
18 Q. Okay. Now I am confused. Unidentified items,  
19 how did you know it was an item to be unidentified?  
20 A. I know that we have those because it will say, I  
21 have the actual statements --  
22 Q. Okay.  
23 A. -- and it will say check number so and so but we  
24 don't have a copy of that check.  
25 Q. I see.

1 A. So that's how I categorize it as an unidentified  
2 item. We don't know where that check came from or where  
3 it went to.  
4 Q. Okay. Do you need to take a break at all?  
5 A. No, I am good.  
6 MR. PALFAI: Mr. Held.  
7 MR. HELD: Yes.  
8 MR. PALFAI: Could we take a five-minute break?  
9 MR. HELD: Sure. I am going to put you on hold  
10 and come back in five minutes.  
11 (A recess ensued.)  
12 BY MR. HELD:  
13 Q. Going to page 2 of 3, the third page of  
14 Exhibit S-31.  
15 A. The third page, which is marked 2 of 3?  
16 Q. Yes.  
17 A. Okay.  
18 Q. The payments to other entities, how did you come  
19 up with these entities?  
20 A. Between talks with myself and Marcia Taplin.  
21 She let me know that, which I already knew that some of  
22 these were other entities associated with Yucatan  
23 Resorts, and she filled in the rest for me.  
24 Q. Okay. So these are entities, on page 2 of 3,  
25 that you were told or believed had some relationship to

1 Yucatan Resorts?  
2 A. Yes.  
3 Q. So you would agree with me that this isn't  
4 exactly an objective analysis, it is a subjective  
5 analysis based on information and instructions you  
6 received from the Arizona securities commission,  
7 correct?  
8 A. This wasn't all instructions based on this. I  
9 mean some of this stuff I knew.  
10 Q. How did you know it?  
11 A. I knew it from -- I could tell checks were  
12 written to them. I know that Yucatan Investments,  
13 Yucatan Properties, Avalon, I know all those are  
14 connected to Yucatan Resorts.  
15 Q. And how do you know that?  
16 A. I know by reading, you know, Universal Lease  
17 contracts, you can see it on their website, the places  
18 are connected, and, yes, talking to Arizona securities.  
19 Q. Okay. And talking to the Pennsylvania  
20 Securities Commission?  
21 A. It would be safe to say yes.  
22 Q. And talking to the Indiana Securities Commission  
23 staff?  
24 A. Indiana really didn't do anything in this case.  
25 Q. Okay. In this group, in page 2 of 3, who told

1 you the Corporativo Nola, which is the first entry,  
2 Corporativo, that's C-O-R-P-O-R-A-T-I-V-O, Nola,  
3 N-O-L-A, is an entity that is related to Yucatan  
4 Resorts?  
5 A. There is no way I can go through each one of  
6 these and tell you who told me that they were an entity  
7 or if I knew myself.  
8 Q. Okay. But it is fair to say that you have no  
9 personal knowledge one way or the other as to how any of  
10 these entities related, is that right?  
11 A. I learned through my analysis, yes, that's how I  
12 learned that these were other entities, and talking with  
13 Marcia and Pennsylvania Securities.  
14 Q. Okay. So as to what you have seen on a bank  
15 record, conversations you had with Ms. Taplin,  
16 conversations you have had with others at the Arizona or  
17 Pennsylvania Securities Commission, you have no personal  
18 knowledge of any of these companies, is that right?  
19 A. I do not have any evidence saying that  
20 Corpora -- I don't even know how to say that -- the  
21 Nola, I don't have any evidence saying that this is  
22 owned by Yucatan Resorts.  
23 Q. Okay. And you have no knowledge of who owns it,  
24 other than what you have been told?  
25 A. Other than what I have been told.

1 Q. Is that right?  
2 A. That would be safe to say, yes.  
3 Q. Okay. And now let's go to the third page,  
4 page 3 of 3, where it says other expenditures.  
5 A. Yes.  
6 Q. What is the purpose of this page?  
7 A. These were just kind of, I know at first I was  
8 putting them as kind of everyday business expenses. You  
9 have, you know, credit cards. You have legal bills.  
10 You have copying, advertising.  
11 These are also other, I would call them,  
12 withdrawal checks being sent to other individuals that I  
13 really couldn't place as an investor, I couldn't place  
14 as another entity. They didn't have any information in  
15 the memo field saying they were commission, so I put  
16 them as other expenditures.  
17 Q. Okay. Other than S-31, have you been asked to  
18 prepare any other documents by the State of Arizona  
19 corporations commission?  
20 A. No. S-31 is the one they wanted.  
21 Q. Okay. And did you have drafts of S-31 when you  
22 were doing it?  
23 A. Yes. I had drafts. I mean I would just keep  
24 updating with my talks with Marcia.  
25 Q. I see. Does your computer -- this was done on a

1 computer?  
2 A. Yes.  
3 Q. And does it have a history of how many updates  
4 you did and when you did them?  
5 A. I honestly have no idea.  
6 Q. Okay. Now, when you were first contacted by the  
7 State of Arizona, I think you earlier testified you were  
8 contacted to start preparing this kind of an analysis,  
9 right?  
10 A. In the beginning they were just mainly  
11 interested in Arizona investors.  
12 Q. Okay. And there came a time when you were asked  
13 to become an expert witness?  
14 A. Yes.  
15 Q. And what were you asked to opine to?  
16 A. I am not sure I understand what you mean.  
17 Q. Well, you were asked to testify as an expert.  
18 And as an expert, what were you asked to testify about?  
19 A. To testify about this document.  
20 Q. How you prepared it and what you used to prepare  
21 it, things like that?  
22 A. Yes.  
23 Q. What were you asked, if you can sort of  
24 summarize, what exactly were you asked to testify about  
25 S-31?

1 A. Well, about how --  
2 MR. PALFAI: I am going --  
3 THE WITNESS: -- I came up with it --  
4 MR. PALFAI: -- to object. Ms. Slazyk --  
5 THE WITNESS: -- my analysis on showing investor  
6 money coming in and the money moving out of the account.  
7 BY MR. HELD:  
8 Q. Okay. When did you first hear of Yucatan  
9 Resorts?  
10 A. Probably when I first got this case back in the  
11 spring of '03. I think that's right because it has been  
12 two and a half years.  
13 Q. Okay. So you would agree with me, wouldn't you,  
14 that for all the information, that February 11th, 2000  
15 through the spring of '03, you never even heard --  
16 strike that. That prior to -- strike that.  
17 Prior to having heard from the, I think you  
18 said, the Pennsylvania Securities Commission -- right?  
19 A. Yes.  
20 Q. Okay. Prior to that, in the spring of '03, you  
21 never heard of Yucatan Resorts or Resort Holdings  
22 International or Corporativo Nola or any of these  
23 companies, is that right?  
24 A. No, I had never heard of them.  
25 Q. Okay. So you have no personal knowledge of any

1 of their banking transactions other than what you have  
 2 read off these bank account statements, right?  
 3 A. The only knowledge I have is account ending in  
 4 8187.  
 5 Q. Right. And that comes from the bank records  
 6 that you reviewed, no personal knowledge of, you didn't  
 7 make any of these deposits or see anybody make deposits  
 8 or withdrawals or anything of that nature?  
 9 A. No.  
 10 Q. Okay. When were you told that you were not  
 11 going to be appearing as an expert witness?  
 12 A. Last week.  
 13 Q. And who told you that?  
 14 A. Jamie.  
 15 Q. And did he tell you why?  
 16 A. Just, he told me that just because I only worked  
 17 on one account. I really don't know everything about  
 18 this case. I don't know all the contracts. I don't  
 19 know all the details. And I guess it is hard to be an  
 20 expert when you only do one account.  
 21 Q. Okay. So you do not have any knowledge of any  
 22 other account, right, other than -- I take that back.  
 23 A. Yes.  
 24 Q. You have no other knowledge of any other account  
 25 other than the World Phantasy account that we referred

1 witness.  
 2 BY MR. HELD:  
 3 Q. Okay. I am just going over my notes, so bear  
 4 with me for a minute.  
 5 A. Okay.  
 6 Q. Did you again, in preparing Exhibit S-31, did  
 7 you ask to review any other accounts from like Mexico,  
 8 Panama, Indiana?  
 9 A. Did I ask to review any others?  
 10 Q. Yes.  
 11 A. No.  
 12 Q. Were you ever asked to do an analysis of the  
 13 money paid by Arizona investors for the Universal Lease?  
 14 A. I didn't do an analysis on it, no.  
 15 Q. Were you ever asked specifically to do anything  
 16 with respect to Arizona residents?  
 17 A. They wanted to know originally, I told you that  
 18 from the get go, they originally wanted to know what  
 19 money was coming in and out, into the account, out of  
 20 the account for Arizona investors. That was the  
 21 original.  
 22 Q. Did you prepare any documents to reflect that?  
 23 A. I can't recall. I don't recall.  
 24 Q. Did you do any work to try to identify Arizona  
 25 investors and how much money came in and out from

1 to earlier?  
 2 A. I know there was an RHI account, too.  
 3 Q. Are you aware of any accounts in Mexico?  
 4 A. The only Yucatan Resorts account I am aware of  
 5 is that one, the National City Bank.  
 6 Q. The one that ends in 8187?  
 7 A. Yes.  
 8 Q. So in your analysis as to investor funds and  
 9 unidentified items and money in and money out, you have  
 10 no idea as to other banking transactions that may  
 11 explain or modify or have any relationship to these  
 12 transactions reflected in Exhibit S-31, is that correct?  
 13 A. I can only speak about this account. That is  
 14 it.  
 15 Q. Okay. So in analyzing this account, were you  
 16 asked to provide the State of Arizona with any opinions?  
 17 A. No.  
 18 Q. It was just this summary, or these summaries,  
 19 which is this S-31, correct?  
 20 A. They just wanted the summary.  
 21 Q. Okay. And do you have any opinions as to what  
 22 all it shows?  
 23 MR. PALFAI: Again I --  
 24 THE WITNESS: I am not an expert.  
 25 MR. PALFAI: I object. She is not an expert

1 Arizona residents?  
 2 A. I don't have an analysis on Arizona investors.  
 3 MR. HELD: Thank you. I am going to put you on  
 4 hold.  
 5 Paul, I am going to send you an e-mail asking  
 6 you a question.  
 7 MR. ROSHKA: Okay.  
 8 MR. HELD: Okay? I am putting you on hold for a  
 9 minute.  
 10 (A recess ensued.)  
 11 BY MR. HELD:  
 12 Q. Let me ask you a couple questions, Ms. Slazyk.  
 13 What is your title at the NW3C?  
 14 A. My title is an Enforcement Analyst II.  
 15 Q. What does that mean?  
 16 A. Well, I mean I am an enforcement analyst, which  
 17 means I basically assist state and local law enforcement  
 18 in the investigation of white collar crimes. We do  
 19 financial crime analysis for them by using Microsoft  
 20 Access and Excel, things like that.  
 21 Q. And what does the designation II mean?  
 22 A. Oh, the number II?  
 23 Q. Yes.  
 24 A. That is, it is just different levels. You have  
 25 to have completed certain trainings. You have to have

1 been here for so long. I mean I don't have the whole  
2 policy right in front of me.  
3 Q. And how, on the hierarchy on things, is it high?  
4 How many levels are there?  
5 A. There are three levels.  
6 Q. I see, okay. And how long have you been there?  
7 A. Just a little over three years.  
8 Q. Okay. And I will let -- well, never mind.  
9 And you said you have never testified before,  
10 you have never given a deposition. When you did testify  
11 one time, did you testify as a fact witness?  
12 MR. PALFAI: I am going to object to that was  
13 vague and ambiguous and compound.  
14 BY MR. HELD:  
15 Q. When I first asked you, you told me that, when  
16 we started this deposition, that this is your first  
17 deposition, correct?  
18 A. Yes.  
19 Q. And that you had testified in the spring of '04  
20 in court?  
21 A. Yes.  
22 Q. What did you testify about in that court?  
23 A. I testified actually at the sentencing.  
24 Q. Was the testimony one you gave in your  
25 professional capacity?

1 A. Yes. It was for some analysis I had done. And  
2 I had created a point chart, well, it is called i2  
3 Q. Okay.  
4 A. And I created a timeline, actually timeline  
5 chart.  
6 Q. Do you have any board certifications?  
7 A. No.  
8 Q. Do you -- let's see. Have you ever lectured on  
9 the subject of what you do at NW3C?  
10 A. I am an instructor for Analyst Notebook, a  
11 certified instructor. And I have taught that class  
12 twice.  
13 Q. Okay. And you haven't published any articles?  
14 A. No.  
15 Q. And are you a member of any professional  
16 organizations?  
17 A. Yes.  
18 Q. What?  
19 A. IALEIA, which is the International Association  
20 of Law Enforcement Intelligence Analysts. I am a member  
21 of the ACFE, which is Association of Certified Fraud  
22 Examiners. And I am a member of ACAMS, which is the  
23 Association of Certified Anti-Money Laundering  
24 Specialists.  
25 Q. Okay.

1 A. I think that's it, yes.  
2 Q. And how old are you?  
3 A. I am 28.  
4 Q. Okay. What was your first job?  
5 A. Out of college?  
6 Q. Yes.  
7 A. I was a researcher for a television show.  
8 Q. Prior to joining NW3C, what did you do?  
9 A. That's, that was my first job before here.  
10 Q. And how long did you do that?  
11 A. I only did that for a year.  
12 Q. What was the television show?  
13 A. It was called the New Detectives and FBI Files  
14 on the Discovery Channel.  
15 MR. HELD: Okay. I think that should do it.  
16 Paul?  
17 MR. ROSHKA: Thank you, Joel.  
18  
19 EXAMINATION  
20 BY MR. ROSHKA:  
21 Q. Ms. Slazyk, I have a couple of questions for  
22 you. Do you have your resume in front of you?  
23 A. I can pull it up.  
24 Q. Would you do that for me.  
25 A. Yes, sure. Give me one second.

1 (Exhibit No. 1 was marked for identification.)  
2 BY MR. ROSHKA:  
3 Q. I have just marked it, Ms. Slazyk, for your  
4 deposition as Exhibit 1 to this deposition.  
5 A. Okay.  
6 Q. First of all, the e-mail address,  
7 ksSlazyk@nw3c.org, that is the e-mail address Mr. Held  
8 should use to communicate to you --  
9 A. Yes.  
10 Q. -- regarding his list?  
11 A. Yes.  
12 MR. ROSHKA: Mr. Palfai, I am not sure we have  
13 your e-mail address. What is it? I am sure you will  
14 want a copy of this e-mail.  
15 MR. PALFAI: Yes. I don't know what it is. No,  
16 actually we have a new one. But I will give you my old  
17 one.  
18 MR. ROSHKA: Joel, he says that's actually  
19 confidential pursuant to some unknown agreements.  
20 MR. HELD: You are kidding.  
21 MR. ROSHKA: I am kidding.  
22 MR. HELD: I didn't hear -- I heard a murmur and  
23 I wasn't sure.  
24 MR. PALFAI: No, I will give you my card.  
25 MR. ROSHKA: Great. Thank you.

1 BY MR. ROSHKA:  
2 Q. Ms. Slazyk, at the bottom of this resume,  
3 testifying experience, is this what you were discussing  
4 with Mr. Held as the matter in which you testified in  
5 spring of 2004?  
6 A. Yes.  
7 Q. What was the name of that case?  
8 A. I, I really don't, can't think of the name off  
9 the top of my head.  
10 Q. Was it a criminal case?  
11 A. Yes.  
12 Q. What was the name of the defendant?  
13 A. It was -- sorry, drawing a blank here. It was  
14 Stanley Black.  
15 Q. And where did you testify, what court?  
16 A. It was in Florida. It was in Ft. Walton Beach.  
17 I can't remember where the court was.  
18 Q. Now, above this on your resume, you have  
19 additional trainings. And I am confused about this.  
20 Are these programs you conducted or are these programs  
21 you attended?  
22 A. They are programs that I have attended.  
23 Q. And above that is an associates degree from  
24 Richard Bland College. What was that degree in?  
25 A. It was just a general degree.

1 Q. And then you went to Old Dominion University?  
2 A. Yes.  
3 Q. Did you take any accounting courses at Old  
4 Dominion?  
5 A. Not at Old Dominion, no.  
6 Q. You graduated in August of 2000. When did you  
7 go to work for The Discovery Channel?  
8 A. I went, I worked there that year, started  
9 working there.  
10 Q. Started in, like, September of 2000?  
11 A. I started full time in August.  
12 Q. All right. And you were there until  
13 approximately August of 2001?  
14 A. I was there until, yes, spring or summer, yes.  
15 Q. Of 2001, is that correct?  
16 A. Yes, 2001.  
17 Q. All right. Now, you joined the National White  
18 Collar Crime Center in June of 2002, is that correct?  
19 A. Yes.  
20 Q. What did you do between The Discovery Channel  
21 and the National White Collar Crime Center?  
22 A. I moved back to Richmond from Virginia Beach.  
23 Q. All right. Were you employed during that period  
24 of time?  
25 A. Yes.

1 Q. And how were you employed?  
2 A. I worked at Outback.  
3 Q. Okay. Were you a -- what was your job at  
4 Outback?  
5 A. I was a server.  
6 Q. This is Outback Steakhouse?  
7 A. Yes.  
8 Q. All right. After Old Dominion, other than The  
9 Discovery Channel and Outback Steakhouse, did you have  
10 any other employment before you joined the National  
11 White Collar Crime Center?  
12 A. No.  
13 Q. When you joined the National White Collar Crime  
14 Center what position were you hired in as?  
15 A. As an Enforcement Analyst I.  
16 Q. And when did you get promoted to Enforcement  
17 Analyst II?  
18 A. I cannot even think of that right now, because  
19 we actually didn't get the level -- actually, I was an  
20 enforcement analyst when I was hired. The levels didn't  
21 start until about six months after I started. And I  
22 became a level Analyst II -- let me see. I want to say  
23 I think we have to be a level II, I mean a level I for  
24 18 months. So that would be like December maybe, so the  
25 winter of '03, slash, '04.

1 I would have to look at my personnel stuff to  
2 tell you exactly.  
3 Q. Mr. Held and you discussed Exhibit S-31 from the  
4 period February 11th, 2000 to October 31, 2003. And I  
5 am not sure about this, but when did you complete your  
6 work on the preparation of this document?  
7 A. This document was, like I said, I don't know the  
8 exact date, but it was early this year. I didn't finish  
9 the data entry until January of this year, of '05.  
10 Q. You have told us about conversations you had  
11 with Ms. Taplin. Did anyone at the National White  
12 Collar Crime Center assist you in preparing S-31?  
13 A. No, not preparing S-31, no.  
14 Q. Did you have any conversations with anyone at  
15 the White Collar Crime Center with regard to the  
16 preparation of S-31?  
17 A. I can't recall any, no.  
18 Q. Did you have any summer clerks or Enforcement  
19 Analysts I assist you at all in compiling this  
20 documentation?  
21 A. Not this documentation.  
22 Q. All right. Did anyone at the National White  
23 Collar Crime Center assist you in connection with the  
24 Yucatan matter in any way?  
25 A. Yes.

1 Q. And what did they do?  
2 A. They helped me do the data entry.  
3 Q. And how many people helped you do the data  
4 entry?  
5 A. Let's see. One, two, let's see, I think it was  
6 two. It was two others on this account.  
7 Q. And who were they?  
8 A. Katherine Malbon and Kristin Dunkum.  
9 Q. Could you spell their last names for us, please.  
10 A. Yes. Katherine is M-A-L-B-O-N. And Kristin,  
11 that's Kristin, she spells it K-R-I-S-T-I-N. And that's  
12 Dunkum, which is D-U-N-K-U-M.  
13 Q. What were their titles when they were doing this  
14 work?  
15 A. Katherine is an Enforcement Analyst III. And  
16 Kristin is one of our intel techs, technicians in our  
17 section.  
18 Q. What is, what is that? What is an intel  
19 technician?  
20 A. They do, they help us. They also help with  
21 state and local law enforcement by doing searches, well,  
22 public data base searches. But they also assist us on  
23 helping us with doing data entry on the cases.  
24 Q. All right. Now, you, if I understand correctly,  
25 you have kept track of your time that you have spent on

1 this matter, is that correct?  
2 A. I wouldn't say, I mean not hourly, no. I have  
3 other cases to work.  
4 Q. All right. Does, as the National White -- does  
5 the National White Collar Crime Center charge agencies  
6 for the services of its personnel?  
7 A. No, we do not.  
8 Q. If I told you that Mr. Held and I had been  
9 informed that the State of Arizona owes the National  
10 White Collar Crime Center over \$50,000 for your  
11 services, would that surprise you?  
12 A. Yes.  
13 Q. Now, you mentioned that agencies become members  
14 of the National White Collar Crime Center?  
15 A. Hold on. Can I back up here? You are saying --  
16 I just want to ask you a question -- that they owe us  
17 50,000?  
18 Q. Yes, ma'am.  
19 A. Now, we do give agencies money to help them.  
20 And if they do win a case, I don't know all the details,  
21 but if they get money, then they are supposed to pay us  
22 back.  
23 Q. All right. Let me ask you some questions about  
24 that. With regard to the money that you give to  
25 agencies to help them, can you generally tell me what

1 types of things you would -- why you would give an  
2 agency money?  
3 A. Honestly, I don't handle that.  
4 Q. Who does?  
5 A. We don't deal, me personally, I don't deal with  
6 that. So I don't want to tell you the wrong thing.  
7 Q. All right. And who does handle that at your  
8 agency?  
9 A. My boss, but his last day was on Friday.  
10 Q. And that was Mr. Paris?  
11 A. Yes.  
12 Q. Where did Mr. Paris go?  
13 A. He went back to work for a local police  
14 department.  
15 Q. Which police department is that?  
16 A. Chesterfield.  
17 Q. Chesterfield, Virginia?  
18 A. Yes.  
19 Q. In what capacity has he gone back to the  
20 Chesterfield, Virginia police department?  
21 A. I have no idea.  
22 Q. Do you know whether it is as a patrolman or a  
23 detective?  
24 A. He is going back as a police officer.  
25 Q. As a patrolman?

1 A. I have no idea.  
2 Q. Do you know whether he is going back as a  
3 sergeant or a lieutenant?  
4 A. I, honestly I have no idea.  
5 Q. Did you attend a going away party for him?  
6 A. No, I did not. I was in Arizona.  
7 Q. Oh, you were in Arizona?  
8 A. Yes.  
9 Q. Was this last week?  
10 A. Yes.  
11 Q. And why were you in Arizona?  
12 A. Just so they could tell me a little bit about  
13 what to expect.  
14 Q. And --  
15 A. And they, yes, just preparing for this.  
16 Q. How many days were you in Arizona?  
17 A. I actually was there for less than 48 hours.  
18 Q. What days were you here?  
19 A. I was there Thursday, Friday and Saturday.  
20 Q. And who did you meet with in Arizona?  
21 A. I met with Jamie.  
22 Q. Just Mr. Palfai, is he the only person you met  
23 with?  
24 A. No. I, I mean I met everybody, because I have  
25 been working with all these people over the phone, but I

1 mainly met with Jamie and his boss, John Fink.  
2 Q. Did you meet with Ms. Taplin while you were  
3 here?  
4 A. Yes, but we didn't, I mean we were just  
5 chit-chatting, getting to know each other, because we  
6 talked on the phone a million times.  
7 Q. Did you talk about the case with Ms. Taplin?  
8 A. Not really, no. I mean we didn't talk about any  
9 details, about what each of us was going to be  
10 testifying to, no.  
11 Q. What did Mr. Fink -- you say you met with  
12 Mr. Fink and Mr. Palfai?  
13 A. Uh-huh.  
14 Q. Did you meet with them together?  
15 A. Yes.  
16 Q. And what documents did they show you?  
17 A. The only thing they gave me, which actually  
18 Jamie gave me right before I left, were these exhibits  
19 that he said that you all wanted me to have.  
20 Q. And were you ever shown, while you met with  
21 Mr. Palfai and Mr. Fink or at any other time, any  
22 documents that Mr. Held and I have provided to the  
23 Securities Division for settlement purposes?  
24 A. No.  
25 Q. Were you shown --

1 A. The only thing, the only thing they gave me,  
2 like I just told you, were these exhibits.  
3 Q. Were you shown an Excel spreadsheet with regard  
4 to, that contain the names of the, quote, investors, end  
5 quote, in the Yucatan program?  
6 A. I have one, an Arizona investor list that is in  
7 my exhibit book. But I mean we didn't go over it.  
8 Q. But were you -- I am sorry. You say is in your  
9 exhibit book. What are you referring to?  
10 A. They just gave me the exhibits that you guys  
11 wanted me to have in a three-ring binder.  
12 Q. And were you given, were you given any Excel  
13 spreadsheets that showed the names of the investors in  
14 the Universal Lease program?  
15 A. If it is Exhibit S-30, there is a list in here.  
16 Q. But that's not an Excel spreadsheet, is it?  
17 A. Oh, I don't know. No, I guess it is not an  
18 Excel spreadsheet, no.  
19 Q. You do know what an Excel spreadsheet is,  
20 correct?  
21 A. Yes, I do. But I also know you can print them  
22 without lines.  
23 Q. Were you also given anything you would recognize  
24 as an Excel spreadsheet by the folks in Arizona that  
25 contain the names, list of the names of the investors in

1 this program?  
2 A. No, I have not seen an Excel spreadsheet with  
3 the names of investors.  
4 Q. Now, you were here for two days and you were, I  
5 think you said, you were being briefed on what to  
6 expect, is that correct?  
7 A. Yes. It was, I was only there meeting with them  
8 one day.  
9 Q. What were you doing the rest of the time?  
10 A. The rest of the time? Well, I didn't get in  
11 until late Thursday and I left early Saturday morning.  
12 Q. So you spent Friday with them, is that correct?  
13 A. Yes.  
14 Q. And what did you discuss?  
15 A. They just told me, you know, what to expect from  
16 you all, you know, how a deposition would go, that you  
17 were going to want to know my training and kind of my  
18 background and what I, what I did on the case, and just  
19 to basically tell the truth. I mean that's really, I  
20 really didn't meet with them long. I actually spent  
21 most of the day sitting in the conference room studying  
22 my certified fraud examiner stuff.  
23 Q. So, I don't want to be pejorative, but sounds  
24 like you were flown to Arizona to study your certified  
25 fraud examiner stuff? I mean --

1 A. Well, I guess so.  
2 Q. -- they flew you out here. First of all, who  
3 paid for your trip?  
4 A. The center did.  
5 Q. All right. So you flew out here on Thursday,  
6 you went to the Securities Division on Friday, had the  
7 meeting you told us about, and then studied your  
8 certified fraud examiner stuff, is that --  
9 A. Yes.  
10 Q. What certified fraud examiner stuff were you  
11 studying?  
12 A. I am taking a prep exam to become a certified  
13 fraud examiner.  
14 Q. So you are not a certified fraud examiner as  
15 yet, correct?  
16 A. No.  
17 Q. And you told us about certain organizations that  
18 you belong to. IALEA --  
19 A. Yes.  
20 Q. -- what is --  
21 A. IALEIA.  
22 Q. Excuse me. What does it take to belong to that  
23 organization?  
24 A. Really any of the organizations you just have to  
25 work in this field and then pay your annual dues. But

1 each of those organizations have certifications that  
 2 eventually you want to work to.  
 3 Q. All right. Have you been certified by any of  
 4 the organizations that you told us you were affiliated  
 5 with?  
 6 A. No. The ACFE is the one I am working on right  
 7 now.  
 8 Q. Hold on. I am going through my notes. And as I  
 9 understand it, as I go through my notes, the only  
 10 exhibit you are going to be testifying about is S-31, is  
 11 that correct?  
 12 A. Yes.  
 13 Q. You indicated you were given a binder with  
 14 exhibits. Approximately how thick is that binder?  
 15 A. It is like as small as you can get. I don't  
 16 know what inches, like a half inch. I don't know.  
 17 Q. And were you told who will be testifying as to  
 18 the other exhibits we asked about?  
 19 A. They just said that you guys were going to be  
 20 asking questions about the other exhibits. However, I  
 21 don't know anything about the other exhibits because  
 22 they are not my work.  
 23 Q. Okay. All right. Let's go back to this money  
 24 that we were talking about before. Do you know whether  
 25 the White Collar Crime Center has advanced any funds to

1 to any other member?  
 2 A. I have -- once again, you need to talk to the  
 3 right person and that is not me.  
 4 Q. Who took Mr. Paris's place?  
 5 A. Nobody right now.  
 6 Q. Who is acting in an interim capacity?  
 7 A. One of our other analysts right now.  
 8 Q. And who is that?  
 9 A. Her name is Robin Elkins.  
 10 Q. And what is her title?  
 11 A. She is an Enforcement Analyst, I think, either  
 12 II or III. I am not sure.  
 13 Q. Does your organization have any individuals who  
 14 testify as expert witnesses?  
 15 A. I am not aware of any, but I can't answer that.  
 16 I can't speak for other people.  
 17 Q. How many people are employed at the National  
 18 White Collar Crime Center?  
 19 A. I don't know the exact number, because we have  
 20 two offices. So I would say around 100.  
 21 Q. If I asked you this I apologize, but is there a  
 22 fee that has to be paid to be a member?  
 23 A. No, it is free.  
 24 Q. But the center will from time to time, if I  
 25 understand your testimony, will advance funds to

1 the State of Arizona in connection with this matter?  
 2 A. You have to talk to someone in management. I  
 3 don't deal with that stuff.  
 4 Q. So your answer is you do not know for a fact?  
 5 A. I don't know for a fact. I haven't seen the  
 6 paperwork.  
 7 Q. All right. So there is paperwork created in  
 8 connection with these funds that are advanced to a  
 9 member of the NW3C, is that correct?  
 10 A. Yes. I am not going to be going into the stuff  
 11 because I don't know about case funding. I can't tell  
 12 you something I don't know.  
 13 Q. Do you know, have you heard in any way why the  
 14 State of Arizona needed funds advanced to it in this  
 15 matter?  
 16 A. No. Like I told you, they dealt with my manager  
 17 with case funding. You are going to have to talk to  
 18 someone else.  
 19 Q. Do you know whether anyone, do you know whether  
 20 any funds were advanced to the State of Pennsylvania?  
 21 A. I have no idea.  
 22 Q. Do you know whether any funds were advanced to  
 23 the State of Indiana?  
 24 A. I have no idea.  
 25 Q. Do you know whether any funds have been advanced

1 members, is that correct?  
 2 A. I didn't understand that question.  
 3 Q. Sure.  
 4 A. Testimony? Advance funds?  
 5 Q. Yes. If I understand how this works, in  
 6 different -- the National White Collar Crime Center will  
 7 advance funds to member agencies to help build cases, is  
 8 that correct?  
 9 A. They will help them with cases. But as for all  
 10 the rules and what they have to put forth, I don't know  
 11 all that. I don't know all the details.  
 12 Q. And the National White Collar Crime Center,  
 13 where does it get the funds it advances to member  
 14 agencies?  
 15 A. It is part of our budget that we get from the  
 16 federal government, where we are supposed to assist  
 17 state and local law enforcement. And that also includes  
 18 we do free training, we do the analytical work like I  
 19 do, other things. We do the case funding.  
 20 Q. Do you know whether any Securities Division  
 21 employees have ever been trained by the National White  
 22 Collar Crime Center?  
 23 A. I have no idea how many people have been trained  
 24 or who.  
 25 Q. All right. Has Ms. Taplin ever attended

1 training at the National White Collar Crime?  
2 A. You would have to ask her.  
3 Q. To your knowledge you don't know?  
4 A. I have no idea. The training department is in  
5 West Virginia.  
6 Q. And how about Ms. Houle or Mr. Palfai, do you  
7 know whether they have attended any training there?  
8 A. I have no idea. It is, our training is all over  
9 the country, so...  
10 Q. Did you come out here alone last week?  
11 A. Yes.  
12 Q. You mentioned your case file folder. How thick  
13 is that?  
14 A. I told you I wasn't really sure. I don't know.  
15 It is a folder and it just has those tabs I gave  
16 Mr. Held earlier.  
17 Q. Do you have it there with you?  
18 A. Yes.  
19 Q. How thick is it?  
20 A. I don't know. I don't have a ruler. I don't  
21 know. Like, I don't know, half inch. I don't know.  
22 Q. So your case folder on this matter is about a  
23 half inch thick?  
24 A. Or an inch. I don't know. I don't have a ruler  
25 in front of me.

1 Q. You mentioned that Arizona signed a case  
2 designation form. Did I hear you correctly?  
3 A. Yes.  
4 Q. Could you tell me what is on that form?  
5 MR. PALFAI: You know, I am going to instruct --  
6 I think we have already gone through this.  
7 BY MR. ROSHKA:  
8 Q. Just so that there is no -- my question is just  
9 the blank form, what is on the form?  
10 A. On a blank form?  
11 Q. Right.  
12 MR. PALFAI: Ms. Slazyk, I am going to instruct  
13 you not to answer that until I see what you are looking  
14 at, because I don't know what you are looking at.  
15 THE WITNESS: Okay. I won't answer it then.  
16 MR. PALFAI: I don't want to violate any rules.  
17 MR. ROSHKA: Just so I am clear, Mr. Palfai, the  
18 basis of your instructing this witness not to answer  
19 questions as to what is on a blank form is?  
20 MR. PALFAI: These are for governmental  
21 agencies, law enforcement agencies, and they are not  
22 necessarily for public consumption. And I need to see  
23 what this form is before we start talking about them.  
24 BY MR. ROSHKA:  
25 Q. How many pages is this form?

1 A. Oh, it is just one.  
2 Q. You say the case designation form. This is  
3 something Pennsylvania signed, correct?  
4 A. Yes.  
5 Q. And what was the name of the case on the form  
6 Pennsylvania signed?  
7 MR. PALFAI: Ms. Slazyk, I am going to instruct  
8 you --  
9 THE WITNESS: All right.  
10 MR. PALFAI: -- please refrain from talking  
11 about anything about this form until I see what form you  
12 are talking about.  
13 THE WITNESS: There is no name on it anyway.  
14 There is no title.  
15 BY MR. ROSHKA:  
16 Q. And other than Arizona and Pennsylvania, have  
17 any other agencies signed a case designation form  
18 relating to Yucatan?  
19 MR. PALFAI: I object.  
20 Ms. Slazyk, do not, please, I instruct you not  
21 to answer. That is confidential.  
22 THE WITNESS: I am not going to answer.  
23 BY MR. ROSHKA:  
24 Q. Does your agency also support the efforts of  
25 federal agencies?

1 A. No.  
2 Q. So you just deal with state and local law  
3 enforcement, is that correct?  
4 A. Yes, assist state and law enforcement agencies.  
5 Q. You told us earlier that your organization falls  
6 under the Department of Justice. And those were your  
7 words. I wrote them down. What do you mean by that?  
8 A. Oh, hold on. I mean if you want to know --  
9 like, I don't know all the ins and outs here because we  
10 are funded, I know we are funded by Congress. And the  
11 Bureau of Justice Assistance has something to do with  
12 it.  
13 Sorry. I didn't prepare for this question,  
14 wasn't sure you were going to ask so much detail about  
15 the agency.  
16 Q. So you fall under the Department of Justice but  
17 you really don't know what that means?  
18 MR. PALFAI: I am going to object to this line  
19 of questions. There is no foundation Ms. Slazyk has any  
20 knowledge of the structure of this organization. She is  
21 not in an administrative capacity, and she is an  
22 Enforcement Analyst II. And you are asking her  
23 questions about the underpinnings of this organization,  
24 which there is no grounds for those questions.  
25 MR. ROSHKA: The foundation is those were her

1 words and I was asking her what she meant.  
2 MR. PALFAI: I don't believe that was your  
3 question.  
4 MR. ROSHKA: No. My question was she had used  
5 the words that her organization falls under the  
6 Department of Justice. And I was asking her what that  
7 meant.  
8 MR. PALFAI: Well, you are probing deeper into  
9 the structure of this organization. She also already  
10 indicated in several instances that she was an  
11 Enforcement Analyst II. She is not an administrator.  
12 She is not a manager. And you are asking detailed  
13 information about the NW3C. I am sure you can get all  
14 that information on the internet.  
15 BY MR. ROSHKA:  
16 Q. Ms. Slazyk, would you regard yourself as a low  
17 level person at NW3C?  
18 MR. PALFAI: I object to that. I did not refer  
19 to her as a low level employee and that insinuation is  
20 offensive.  
21 BY MR. ROSHKA:  
22 Q. Would you regard yourself as a low level  
23 employee, Ms. Slazyk?  
24 A. No.  
25 Q. All right. And you used the words fall under

1 the Department of Justice. And I have just asked you  
2 what you meant by those words, that's all.  
3 A. Well, I don't know the exact structure. And I  
4 can look it up for you if you want me to.  
5 Q. I just asked you what you meant by those words,  
6 ma'am. If you can tell me what you meant by your own  
7 words, that would be great. If you don't know what you  
8 meant by your own words, just tell me that, too.  
9 MR. PALFAI: I think, I believe she answered  
10 your question, Mr. Roshka.  
11 MR. ROSHKA: I will ask it one more time because  
12 I don't think she did.  
13 BY MR. ROSHKA:  
14 Q. Can you tell me what you meant by the words fall  
15 under the Department of Justice when you referred to  
16 your organization?  
17 A. Basically we are federally funded. And I know  
18 that, like on the back of my ID, it has a Department of  
19 Justice logo on it. And we deal with the Bureau of  
20 Justice Assistance. I mean I don't -- you can get this  
21 on our website.  
22 Q. Who is in charge of the National White Collar  
23 Crime Center?  
24 A. Don Brackman.  
25 Q. And who does Mr. Brackman report to?

1 A. He is in charge of it. We have a board of  
2 directors.  
3 Q. And do you know who the board reports to?  
4 A. No, I don't. I don't know all that stuff. That  
5 goes on in West Virginia and I don't work at West  
6 Virginia.  
7 Q. Okay. Let me just look at my notes here  
8 quickly.  
9 When you met with -- if I heard your testimony  
10 correctly, you met with Mr. Palfai and Mr. Fink to  
11 prepare for your deposition today, is that correct?  
12 A. Uh-huh, yes.  
13 Q. Did you also meet with them to prepare for your  
14 testimony next week?  
15 A. We went over a few questions, but just basic,  
16 like your name, where you work, what you do. We just,  
17 we went over some basic stuff.  
18 Q. And what did they tell you they were going to  
19 ask you to testify about when you take the stand?  
20 MR. PALFAI: I am going to object to that. That  
21 is work product privileged information.  
22 MR. ROSHKA: I asked her what she was told. She  
23 has no privilege; she is a witness.  
24 MR. HELD: Let me chime in here.  
25 MR. PALFAI: You are trying to ask what kind of

1 questions.  
2 MR. HELD: Why not?  
3 MR. ROSHKA: Why not?  
4 MR. HELD: She is not your client. She is not a  
5 member of your staff. She is a witness.  
6 MR. PALFAI: Mr. -- I thought Mr. Roshka -- are  
7 you going to take over now, Mr. Held?  
8 MR. HELD: I am just asking a question. I am  
9 chiming in on your objection, which is absolutely  
10 unfounded and, quite frankly, silly.  
11 MR. PALFAI: I take offense to that.  
12 MR. HELD: You may, but it happens to be the  
13 fact. You can't instruct somebody not to answer about  
14 conversations that she had with you when she is neither  
15 your employee -- she has no privilege. She is a  
16 witness.  
17 MR. PALFAI: Mr. Held, you don't have to yell.  
18 I can hear you just fine.  
19 MR. HELD: Okay.  
20 MR. ROSHKA: So what is the basis of your  
21 objection, Mr. Palfai?  
22 MR. PALFAI: You are asking what questions I am  
23 going to ask.  
24 MR. ROSHKA: The question, right, I am asking  
25 her what she was told you would ask her about next week

1 when she is a witness.  
2 MR. PALFAI: You are delving into work product  
3 of mine, which is privileged.  
4 MR. ROSHKA: Well, actually she is not, she is  
5 not part of your Staff. She is a fact witness in this  
6 case. So to the extent you ever had that privilege --  
7 MR. PALFAI: Let's proceed then.  
8 MR. ROSHKA: -- you would have waived that when  
9 you went through her prep. We are asking what she is  
10 going to testify about next week, which is why you take  
11 that position, is to find out what someone is going to  
12 testify about.  
13 You are asserting the work product privilege, is  
14 that correct?  
15 MR. PALFAI: I thought you asked her what I am  
16 going to be asking her.  
17 MR. ROSHKA: Correct.  
18 MR. PALFAI: First of all --  
19 MR. ROSHKA: I asked her what she was told you  
20 would be asking her.  
21 MR. PALFAI: Okay. Go ahead.  
22 BY MR. ROSHKA:  
23 Q. Okay. Can you answer that for us, Ms. Slazyk?  
24 What did Mr. --  
25 A. I told you. He only asked me a few questions.

1 A. I don't know. I can't recall the exact date.  
2 Q. Was it sometime this year?  
3 A. I think so.  
4 Q. Was it prepared in connection with your  
5 appearance in this case?  
6 A. Yes. I think I -- I can't recall the date, but  
7 it was supposed to be before the last time I was  
8 supposed to come out there, which was -- I don't know.  
9 When was this continued from? Back in the spring?  
10 Q. And were you told to prepare a resume because  
11 you would be testifying as an expert witness?  
12 A. I was asked for my resume because you all wanted  
13 it.  
14 Q. When you graduated from Old Dominion did you  
15 graduate with any distinction?  
16 A. No.  
17 Q. When I look at your resume, I am looking for  
18 accounting courses you have taken. I see  
19 Accounting 211.  
20 A. Yes.  
21 Q. Any other accounting courses you took?  
22 A. No.  
23 Q. And tell me, what does Accounting 211 cover?  
24 A. It is principles of accounting. It is the  
25 basics.

1 It was like we will cover this next week.  
2 Q. Okay. What questions did he ask you?  
3 A. I just told you. He asked me, he was doing the  
4 basics, like where do you work, what is your job  
5 function, what did you do. We didn't even get into my  
6 actual report.  
7 Q. So he just asked you basically what was in your  
8 resume --  
9 A. Pretty much.  
10 Q. -- is that correct?  
11 And you flew across the country to go over your  
12 resume with Mr. Palfai, is that correct?  
13 A. Yes.  
14 MR. PALFAI: I am going to object to that,  
15 because, even though she already got that in, that's not  
16 what she testified to earlier, so misstates prior  
17 testimony. She said she came here to prepare for the  
18 deposition.  
19 MR. ROSHKA: Mr. Palfai, you heard her say yes.  
20 THE WITNESS: I would like to correct that. We  
21 went out there to go over what I was going to prepare  
22 for, or how a deposition goes. Because I had never been  
23 in one. I already testified to all that stuff.  
24 BY MR. ROSHKA:  
25 Q. When was your resume prepared?

1 Q. I thought Accounting 101 was the basics?  
2 A. They didn't have Accounting 101 at the college I  
3 took it at.  
4 Q. And which college was that?  
5 A. John Tyler.  
6 Q. Have you assisted with the preparation of the  
7 charts used as any other exhibits in this case?  
8 A. No.  
9 Q. Prior to being given -- I think you said you  
10 were given the exhibits from Mr. Palfai that he thought  
11 we would ask you about, is that correct?  
12 A. He said that these are the exhibits that you all  
13 wanted me to have.  
14 Q. All right. What are the exhibit numbers that  
15 you have?  
16 A. Let's see, 30 through 39.  
17 Q. And did you do anything in connection with any  
18 of those exhibits, other than S-31?  
19 A. The only one I worked on was S-31.  
20 Q. Were you asked to comment upon any of the other  
21 exhibits as they were being created?  
22 A. No.  
23 Q. Were you asked to comment upon any of the other  
24 exhibits after they were created?  
25 A. I never saw any of these exhibits before or

1 after they were created.  
2 Q. But you have them now, correct?  
3 A. Yes. That's the first time I have seen them.  
4 MR. ROSHKA: Mr. Held, I don't have any other  
5 questions.  
6 MR. HELD: Okay.  
7 MR. PALFAI: Okay. Could I, Ms. Slazyk, can I  
8 just ask you a couple questions to clarify a couple  
9 things?  
10 THE WITNESS: Yes.  
11  
12 EXAMINATION  
13 BY MR. PALFAI:  
14 Q. Very briefly, it is just a couple questions  
15 here.  
16 Previously I think Mr. Held asked you what  
17 agencies gave you banking records for your report. Do  
18 you recall that question?  
19 A. Yes.  
20 Q. And what was your answer?  
21 A. For this report?  
22 Q. Yes.  
23 A. Agency I got the bank records from?  
24 Q. Yes.  
25 A. I got the initial bank records from Indiana

1 we will move on.  
2 MR. HELD: Okay. That's fine.  
3 THE WITNESS: Can you repeat the question.  
4 BY MR. PALFAI:  
5 Q. Sure.  
6 A. I am sorry, all those objections.  
7 Q. There were questions about other entities  
8 earlier.  
9 A. Yes.  
10 Q. And you mentioned that there are some  
11 relationships --  
12 A. Yes.  
13 Q. -- between Yucatan Resorts and all those  
14 companies.  
15 A. Yes.  
16 Q. Now, obviously there is a relationship because  
17 they are receiving money from Yucatan Resorts.  
18 A. Yes.  
19 Q. Do you have any other knowledge concerning the  
20 relationship between Yucatan Resorts and all the  
21 entities?  
22 MR. ROSHKA: Object to the form, lack of  
23 foundation.  
24 THE WITNESS: I mean I know that, talking to  
25 Marcia, she told me that these, you know, entities were

1 Securities --  
2 Q. Okay.  
3 A. -- for this account. And then you all sent me  
4 some supplemental information.  
5 Q. Okay. And did you get anything from  
6 Pennsylvania?  
7 A. Not for this account.  
8 Q. Okay. So it was Indiana and Arizona?  
9 A. Yes.  
10 Q. Okay. I just wanted to clarify that.  
11 A. Okay.  
12 Q. And then you mentioned earlier that other  
13 entities had relationships with Yucatan Resorts. By  
14 saying that, aren't you, I mean obviously since they are  
15 receiving money from Yucatan Resorts, is that what you  
16 are meaning by had relationships with this company?  
17 MR. HELD: Object, object; compound, assumes  
18 facts not in evidence, leading question.  
19 MR. PALFAI: Okay, thank you.  
20 Go ahead, Ms. Slazyk.  
21 MR. HELD: Don't -- no, no. You are giving an  
22 assumption -- you are giving her the answer before you  
23 even asked for it.  
24 MR. PALFAI: In Arizona, Mr. Held, there are no  
25 speaking objections. Just state your objection and then

1 connected to Yucatan. How connected I can't  
2 specifically say.  
3 BY MR. PALFAI:  
4 Q. Okay.  
5 A. And I know some of these, like Resort Holdings,  
6 World Phantasy, I saw these, you know, I know these  
7 accounts exist. And I know that Mike Kelly is a signer  
8 on some of these. And so I know from the website that  
9 some of them are connected --  
10 Q. Okay.  
11 A. -- and kind of put them all together.  
12 Q. Okay.  
13 MR. HELD: Object as nonresponsive.  
14 BY MR. PALFAI:  
15 Q. Now, you also mentioned earlier that you didn't  
16 actually, you didn't prepare an actual analysis of  
17 Arizona investors. But you did initially look for  
18 those, right?  
19 A. Yes, I did initially look at those.  
20 Q. And when you finally completed your report, your  
21 global report, are those including Arizona investors?  
22 A. Yes, Arizona investors are included in this.  
23 But I didn't specifically pull them out for this.  
24 Q. Right. Okay, thank you.  
25 And, finally, you mentioned the only exhibit, or

1 at least I think it came out that the only exhibit that  
2 you would be talking about is S-31.  
3 A. Yes.  
4 Q. That's the only report you prepared, correct?  
5 A. Yes.  
6 Q. But you are familiar with some of the documents  
7 in S-35, isn't that true?  
8 A. S-35?  
9 Q. Or S-34?  
10 A. I was going to say, do you mean S-34?  
11 Q. Yes. Sorry about that.  
12 A. Yes, I do know that some of these are signature  
13 cards that I received.  
14 Q. Okay.  
15 A. But let's see. From First Bank of Miami, I  
16 recognize that one, and I also recognize one for my  
17 account 8187.  
18 Q. Okay.  
19 A. And I know that, I can tell by the Bates Nos.  
20 stamped on them, that the Yucatan Resorts doing business  
21 as Club Baccara, that came from Indiana Securities. But  
22 I never, I never worked on that account.  
23 Q. But you are familiar with some of those  
24 signatory cards in that Exhibit S-34? Are you familiar  
25 with some of those?

1 A. No.  
2 MR. HELD: Okay. That's all.  
3  
4 RE-EXAMINATION  
5 BY MR. ROSHKA:  
6 Q. One other question, Ms. Slazyk. When are you  
7 coming back to Arizona?  
8 A. Later on this week.  
9 MR. ROSHKA: Thank you.  
10 (The deposition concluded at 11:55 a.m.)  
11

(Signature not requested)

KELLY SLAZYK

1 A. Yes, yes. Yes, so...  
2 MR. PALFAI: Okay. That's all I have. Thank  
3 you, Ms. Slazyk.  
4 THE WITNESS: Thanks.  
5 MR. ROSHKA: Joel, do you have any other  
6 questions?  
7 THE WITNESS: No.  
8 MR. HELD: Well, I guess Jamie opened up the  
9 door so I might as well walk through it. I guess he  
10 instructed her not to answer our questions about other  
11 states and then went ahead and asked her whether she got  
12 any records from any other states relating to these bank  
13 accounts.  
14  
15 RE-EXAMINATION  
16 BY MR. HELD:  
17 Q. So let me ask you, Ms. Slazyk, did you ask any  
18 other states for records relating to any other bank  
19 accounts?  
20 A. Did I ask any other states for records?  
21 Q. Other than Pennsylvania, Indiana and Arizona,  
22 did you send out any requests to any other state for  
23 records relating to Yucatan bank accounts?  
24 A. No.  
25 Q. What about relating to Yucatan investors?

1 STATE OF ARIZONA )  
2 ) ss.  
3 COUNTY OF MARICOPA )  
4 BE IT KNOWN that the foregoing deposition was  
5 taken by me, COLETTE E. ROSS, Certified Court Reporter  
6 No. 50658 for the State of Arizona, and by virtue  
7 thereof authorized to administer an oath; that the  
8 witness before testifying was duly sworn by me; that the  
9 questions propounded by counsel and the answers of the  
10 witness thereto were taken down by me in shorthand and  
11 thereafter transcribed under my direction; that a review  
12 of the transcript by the witness was not requested; that  
13 the foregoing pages contain a full, true, and accurate  
14 transcript of all proceedings and testimony had, all to  
15 the best of my skill and ability.  
16 I FURTHER CERTIFY that I am not related to nor  
17 employed by any of the parties hereto, and have no  
18 interest in the outcome.  
19 DATED at Phoenix, Arizona, this day  
20 of , 2005.  
21

COLETTE E. ROSS  
Certified Court Reporter  
Certificate No. 50658

**Exhibit B**

Asia  
 Pacific  
 Bangkok  
 Beijing  
 Hanoi  
 Ho Chi Minh City  
 Hong Kong  
 Jakarta  
 Kuala Lumpur  
 Manila  
 Melbourne  
 Shanghai  
 Singapore  
 Sydney  
 Taipei  
 Tokyo

Europe &  
 Middle East  
 Almaty  
 Amsterdam  
 Antwerp  
 Bahrain  
 Baku  
 Barcelona  
 Berlin  
 Bologna  
 Brussels  
 Budapest  
 Cairo  
 Dusseldorf  
 Frankfurt / Main  
 Geneva  
 Kyiv  
 London  
 Madrid  
 Milan  
 Moscow  
 Munich  
 Paris  
 Prague  
 Riyadh  
 Rome  
 St. Petersburg  
 Stockholm  
 Vienna  
 Warsaw  
 Zurich

North & South  
 America  
 Bogota  
 Brasilia  
 Buenos Aires  
 Calgary  
 Caracas  
 Chicago  
 Dallas  
 Guadalajara  
 Houston  
 Juarez  
 Mexico City  
 Miami  
 Monterrey  
 New York  
 Palo Alto  
 Porto Alegre  
 Rio de Janeiro  
 San Diego  
 San Francisco  
 Santiago  
 Sao Paulo  
 Tijuana  
 Toronto  
 Valencia  
 Washington, DC

September 13, 2005

Tel: +1 214 978 3090  
 joel.held@bakernet.com

**VIA UPS OVERNIGHT DELIVERY AND E-MAIL**

Ms. Kelly Slazyk c/o National White Collar Crime Center  
 7401 Beaufont Springs Drive  
 Suite 300  
 Richmond, Virginia 23225

Re: *Yucatan Resorts, S.A., et al., S-03539A-03-0000*

Dear Ms. Slazyk:

As you recall, during your deposition on Monday, September 13, 2005, there were a series of questions by counsel for the Respondents in the above-referenced matter that you testify on issues and produce certain documents related to the pending action. Counsel for the Securities Division of the Arizona Corporation Commission (hereinafter "Securities Divisions"), instructed you, on occasion, not to answer questions and/or to produce the requested documents and information. Though the Securities Division attorney was not your counsel, you complied with his instructions.

As you also may recall, the Parties agreed that the Respondents would provide you, and the Securities Division, with a list of the documents that were discussed and requested during your testimony. Below, please find the list of documents and/or items that Respondents requested. *Please produce the documents no later than Friday, September 16, 2005*, in the form currently maintained (without redaction). If you intend to withhold production, Respondents demand that you bring all requested document with you for your testimony at the Hearing in this matter. This will permit the Administrative Law Judge to issue a ruling on the discoverability of the items, and may obviate the need for you to come back to Arizona and testify at a later date.

Respondents respectfully request that you produce the following items; if you and/or the NW3C are not in possession, custody and/or control of any of the items requested below please respond that you are not in possession of the responsive documents:

1. The signed Arizona Corporation Commission, Division of Securities, or any other Arizona state agency, "case designation form" or "sign on" submitted to the NW3C concerning the Universal Lease or any Respondent in the above-referenced action.
2. As discussed above, on occasion you were instructed not to answer questions or produce documents. The Securities Division counsel indicated that there were inter-agency confidentiality agreements concerning the Universal Lease and/or the Respondents in this

action. As I recall, you testified that you were not aware of any such agreements involving the NW3C. To the extent that you or the NW3C are in possession, custody or control of any inter-agency confidentiality agreements with the State of Arizona, or any other state, which relate to the Universal Lease, the Respondents and/or this action, please produce same.

3. During your testimony you indicated that you maintain a "case file" for this matter. The case file contained (a) a "written chain of custody" that evidence the point of origin from all documents that you received in connection with this action; (b) a "correspondence file" that included correspondence, notes and FedEx forms; and (c) an "activities log." Please produce the case file in its entirety—including, without limitation, the written chain of custody, the correspondence file (with all correspondence, emails, notes and FedEx forms) and the activities log.

4. During your testimony, you indicated that the only exhibit that you prepared, and that you would testify about, was S-31. Further, you testified that there was an "old" version of S-31 and a new or revised version of S-31. Additionally, you indicated that you communicated with Marcia Taplin of the Arizona Securities Division regarding the preparation of the exhibit, and that you provided her with drafts. Please produce any and all drafts of exhibit S-31. Also, please produce all notes related thereto, and all emails or communications with Ms. Taplin or the Securities Division regarding this exhibit or any other matter relating to the Respondents in this case.

5. You testified that you received National City Bank account documents (account number ending 8187) from the Indiana Securities Commission. Please produce all communications with the Indiana Securities Commission concerning this bank account and/or related to this action.

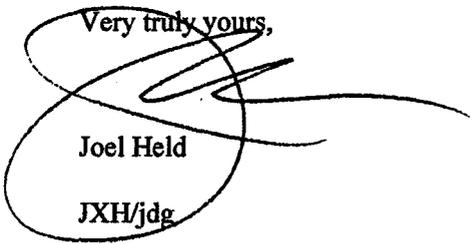
6. You testified that from the National City Bank records you received, you performed data entry and created an Excel spreadsheet. Please produce the Excel spreadsheet you created.

7. You testified that you received Bank of Miami bank records from the Pennsylvania Securities Commission and, further, that you were authorized by the Pennsylvania Securities Commission to produce these records to the Arizona Securities Division for use in this action. Please produce all correspondence, including emails, with the Arizona Securities Division regarding your production of these bank records to the Arizona Securities Division. Please produce all correspondence, including emails, with the Pennsylvania Securities Commission regarding the NW3C's receipt of the Bank of Miami records and/or regarding the NW3C's subsequent production of these records to the Securities Division.

8. You testified that NW3C provided the Securities Division with financial support in the amount of \$50,000. Please produce all documents, including records of communications, between the NW3C and the Arizona Securities Division regarding the referenced financial support.

If you have any questions, or if you would like to discuss this matter further, please do not hesitate to contact me.

Very truly yours,



Joel Held

JXH/jdg

Cc: Jaime Palfai, Esq. (*Via e-mail*)  
Paul Roshka, Esq. (*Via e-mail*)  
Martin Galbut, Esq. (*Via e-mail*)

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