

Hearing dated July 2, 2009

1 Q. Mr. Benson, can you tell me who has the
2 books -- the accounting books and records of the
3 company?

4 A. Currently, no. I don't think any has been
5 done since our controller left, which is about a year
6 and a half, two years ago. I don't think any books
7 were done last year because there was no money to
8 continue operations of any kind.

9 Q. Who was that controller?

10 A. Matt Shaw.

11 Q. Matt?

12 A. Matthew Shaw.

13 Q. Is Mr. Shaw owed money by the debtor --

14 A. I don't think so.

15 Q. -- for services? Okay.

16 A. I don't know. All the books and everything
17 were up-to-date up until the point where Matt left,
18 including basically a team of accountants that came in
19 to work on tax returns and so forth. But nothing since
20 that point. And I think there's a statement in the
21 back from Mr. Robbins that I read to that degree as
22 well.

23 MR. MORGAN: How soon will you be able to
24 produce the tax returns, Counsel? Do you have them?

25 MR. BLOTTER: I don't have them. I'll have

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1 to contact Mark and see where they're at.

2 MR. MORGAN: Okay. Any other creditors?

3 MR. ANDREASON: Rod Andreason with Kirton &

4 McConkie on behalf of creditors Fair Star Resources

5 Limited and Gold Law Party Limited.

6 EXAMINATION

7 BY MR. ANDREASON:

8 Q. Mr. Benson, do you know who the members are

9 of AIP?

10 A. I believe at this point only Seven

11 Investments.

12 Q. Seven Investments was a hundred percent

13 member?

14 A. Yes.

15 Q. And its officers? AIP's.

16 A. What's that?

17 Q. Do you know AIP's officers?

18 A. I do not believe there are any.

19 Q. Any employees of AIP presently?

20 A. No.

21 Q. I believe you stated that you were an

22 employee of AIP.

23 A. I said I was an advisor, basically an

24 employee-type situation. I'm just -- I was -- I worked

25 with AIP for a few years on the Exuma project, and more

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1 specifically the Canyon's project, so I was in the
2 office every day. That's the only reason I'm here.

3 For the most part, the only interest I have
4 in AIP whatsoever is hoping that Exuma gets sold and
5 hoping that all the creditors have been paid back
6 before that point so there's actually some money left
7 for me.

8 Q. Is there any person presently that's
9 employed by AIP?

10 A. Not that I know of, no.

11 Q. Anyone more knowledgeable than Mark Robbins
12 regarding these issues?

13 A. Not that I know of. He had a right-hand
14 man, attorney, for the last five years, that would be
15 Jeff Jones. That would be the closest thing.

16 Q. I am not aware, procedurally, of the manner
17 of doing this, but in terms of even a first creditor,
18 you have someone who is not aware of the ownership,
19 isn't an employee, isn't a member, isn't a manager,
20 doesn't know about the taxes, was basically just
21 notified of this this morning. I think this is fairly
22 insufficient for creditors.

23 MR. MORGAN: For the record, I will be
24 filing a minute entry in this case that I believe under
25 the local rules recommends that the case be dismissed.

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1 Creditors or parties interested can object to that.
2 The notice will go out from the court. With what I've
3 heard today, that will be my present intent, based on
4 failure of Mr. Robbins to appear.

5 That may not be what creditors want, it may
6 not be what the debtor wants. So people can act
7 accordingly. And it may not be, in fact, if I find out
8 additional information, what I even want. So I may
9 object to my own recommendation. But that will be the
10 procedure after today, just for the record.

11 Go ahead, Mr. Andreason.

12 BY MR. ANDREASON:

13 Q. Mr. Benson, do you know the members of
14 Pelican Equity, L.L.C.?

15 A. I do not.

16 Q. Do you know any of its officer?

17 A. I do not know the structure of it
18 whatsoever.

19 Q. You mentioned that there were a number of
20 persons involved with Pelican, L.L.C., including Mark
21 Jensen. Do you recall that?

22 A. Yes.

23 Q. Do you know the nature of his involvement?

24 A. I do not know. I do not know -- I've never
25 seen any paperwork on Pelican, I've -- I only am

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1 familiar with the fact that there's a new entity that's
2 working on creating some form of assets to pay off the
3 creditors.

4 Q. Do you know what the form of asset is?

5 A. I do not. It's a new company. May or may
6 not have to do with a type of stock owned. I'm not
7 positive.

8 Q. You're not positive of what business the
9 company is going to conduct?

10 A. No, I'm not going to be part -- I'm not
11 part of that.

12 Q. Is it presently conducting business, to
13 your knowledge?

14 A. Is it?

15 Q. Presently conducting business, to your
16 knowledge?

17 A. I would say it's probably presently in
18 negotiations to conduct business.

19 Q. You mentioned a dozen attorneys and a dozen
20 other people who are participating now regarding
21 Pelican Equity, L.L.C. Do you recall that?

22 A. Yes.

23 Q. Do you recall any of the names of those
24 persons?

25 A. I was there specifically to see Jim

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1 Nesland.

2 Q. But do you recall any of the names of those
3 other persons?

4 A. Not first or last names, complete, no. I
5 was not introduced to everybody and I'm not -- I've
6 never been part of the stock side.

7 Q. To the best of your knowledge, can you
8 identify those that you do have some identification
9 regarding?

10 A. I know Mark Jensen was there, and I know
11 Mark Robbins was there, and I know Jim Nesland, and I
12 know Jeff Jones was there, but who's part of the
13 company going forward, I have no idea.

14 Q. Any other persons?

15 A. Other people, I just do not know who they
16 are.

17 Q. So you saw other people other than Mark
18 Robbins, Mark Jensen, Jeff Jones, but you don't know
19 first or last names or their company affiliations?

20 A. I met them a few weeks ago, that was it.
21 Just really a handshake and that's it.

22 Q. But what I'm trying to understand is --

23 A. I was there specifically for a niche, so I
24 kind of showed up, shook hands, and went off and
25 worked --

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1 Q. I understand that. But my question is, do
2 you know who they are?

3 A. No.

4 Q. Don't know any of their names, first or
5 last, or the company affiliation?

6 A. No.

7 Q. You indicated earlier that AIP had been
8 dealt a blow that set them back for a few weeks.

9 A. A few months, I said.

10 Q. A few months. What was that blow?

11 A. I was referring to AIPRD. I was referring
12 to Exuma, and I was referring to a court ruling this
13 week that was supposed to get rid of one of the
14 lawsuits that was most pressing against us in Exuma.

15 Q. Which lawsuit was that?

16 A. That was a lawsuit from a group called
17 Hamby against the rest of the entity for Exuma,
18 referring to a mortgage that they believe they still
19 hold on the property even though they have no debt and
20 have been paid in full.

21 They're citing a jurisdictional reasoning
22 for this mortgage to try to take control of the island,
23 with the ultimate goal of negotiating everybody else
24 out and developing it themselves.

25 It was supposed to be a slam dunk case and

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1 it turned out not to be a slam dunk case.

2 MR. MORGAN: And what did the court rule?

3 THE WITNESS: The court was going to -- the
4 exact words from the judge were, "Although I do not
5 believe in your case, I do think you at least have the
6 right to be heard by a court, so we're going to
7 postpone this for a few months and let you come to
8 trial."

9 BY MR. ANDREASON:

10 Q. What court is it that issued that opinion?

11 A. Nassau, Bahamas.

12 Q. Is it a certain level in Nassau? Is that a
13 court of appeals?

14 A. Yes, it is a court of appeals.

15 Q. Who were the parties to that case?

16 A. Parties in that case were AIPRD and Mark
17 Robbins, Kendall Group, Barry Silverton, and Pacific
18 Malibu, and Deidre Beau.

19 Q. And how is this going to set back the sale
20 of the island a few months? You've already said this a
21 little bit, but just to clarify.

22 A. Can't sell it until we get through the
23 case.

24 Q. Does Hamby have a lien or other
25 encumbrance, did he say a mortgage, on the Exuma

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1 property?

2 A. He does not. He's trying to hold -- he's
3 trying to get the court to grant him a mortgage over
4 the property.

5 Q. Other than litigation, there's nothing
6 specifically that's tying up the property, in reference
7 to that ruling by the court, the lis pendens lien --

8 A. There are still liens on the property.

9 Q. Trustees?

10 A. The only issue is the trust deed that I
11 mentioned before the court that there is a question, as
12 far as a cloud on the title, and that's with the
13 Kendall Group.

14 Q. Any other plans regarding that property and
15 its sale that have been formulated since this court
16 issued that opinion?

17 A. We have plans, but part of the
18 confidentiality agreement with the group that's working
19 with us on those plans, so I cannot disclose those
20 plans. But I can assure the court that we're trying to
21 liquidate it the best we can.

22 Q. And what group is that?

23 A. I cannot disclose. That's what the nature
24 of the confidentiality agreement is, is who the group
25 is and the terms of the settlement.

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1 Q. You had mentioned that the sale of Little
2 Exuma is being negotiated now and there is trying to
3 be --

4 A. Was.

5 Q. -- was -- non-disclosable parties. And you
6 also mentioned that this new entity, Pelican Hill,
7 whatever -- L.L.C., or whatever it is, has a desire or
8 a plan to -- and its partners, to pay off or acquire
9 the AIP assets and to pay off the creditors. Those are
10 two statements you made earlier.

11 Are you familiar if any of the selling of
12 the assets of AIP, including Little Exuma, would be to
13 an entity that Mark Robbins has an interest in?

14 A. I don't know.

15 Q. So none of the entities, that you're aware
16 of, that still -- that just happened, none of those
17 entities have Mark Robbins as a partner, that you're
18 aware of -- or has an interest in?

19 A. Not that I'm aware of.

20 Q. And at Pelican Hill, obviously, he has --
21 Mark Robbins has an interest in that per your statement
22 before.

23 A. No, I don't think I said I knew he had an
24 interest in Pelican. That's not what I said.

25 Q. Okay. I thought you -- he and the partners

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1 had gotten together and they were there for a meeting
2 and that there was a --

3 A. Well, Pelican --

4 Q. It was his intent with Pelican --

5 A. Yeah, it was Pelican's intent to start a
6 company that they believe will create enough income to
7 pay off the creditors. Now, whether Mark will be a
8 partner in that company or not, I do not know.

9 Q. Okay. So at this point --

10 A. I don't have a clue who the partners are in
11 that company.

12 Q. Okay. You're not sure if Mark is a partner
13 in that? Okay.

14 MR. RASMUSSEN: In the negotiation with
15 Pelican, is Exuma part of that negotiation or
16 discussion? The Exuma interest?

17 THE WITNESS: Only to the extent of if we
18 needed somebody to give us legal fees so that we could
19 best protect the project and move forward and sell if
20 for the highest possible dollar. I believe that that
21 would come from that group.

22 BY MR. PETERSON:

23 Q. Have you talked to Mark Robbins about these
24 intentions and plans, and if so, when was the last time
25 you did so?

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1 A. I talked to Mark in the last couple weeks.

2 No, not about any intentions or plans.

3 Q. Has he ever mentioned to you anything about
4 an EB5 Program?

5 A. Never heard of it in my life.

6 Q. Okay. That's it.

7 MR. RASMUSSEN: That's it. No more
8 questions.

9 MR. MORGAN: I'd just like to keep your
10 address as your contact information at the end.

11 THE WITNESS: Okay.

12 MR. MORGAN: Thank you.

13 MR. ARAMBURU: John, Troy Aramburu on
14 behalf of Jones Waldo. The only question I have is,
15 given your statement about the minute entry, I don't
16 know what the U.S. Trustee's office wants to do about
17 forming a creditors' committee, or if you've received
18 any interest in forming a committee, but I just wanted
19 to make sure that your office knew Jones Waldo is still
20 interested in serving on any committee, and it sounds
21 like there's some other creditors here that would be
22 interested in keeping the case going. I don't know if
23 they have any interest in serving on the committee.

24 MR. PETERSON: I just said my intent and
25 interest to serve on it.

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1 MR. RASMUSSEN: And so did I. This is Mike
2 Peterson and Rodney Rasmussen.

3 MR. ANDREASON: Fair Star Resources is also
4 so interested, if this case proceeds.

5 MR. MORGAN: I have Mr. Rasmussen's, Mr.
6 Petersen's, I have Regents Bank. Are they secured?

7 MR. RASMUSSEN: Regents Bank is the current
8 owner of the holder of the loan on the jet. And I
9 think they inherited it on a merger or a takeover of --

10 MR. MORGAN: Well, I think they were listed
11 on Schedule F.

12 MR. BLOTTER: Yeah, they're listed.

13 MR. MORGAN: All right.

14 MR. BLOTTER: They're listed.

15 MR. MORGAN: Those are the three I have.

16 So I don't have --

17 MR. ARAMBURU: Jones Waldo.

18 MR. MORGAN: Yeah.

19 MR. ARAMBURU: Apparently Jeff Shields from
20 my office tells me he sent one in. If he hasn't --

21 MR. MORGAN: It could be in transit.

22 MR. ARAMBURU: We're ready to address it
23 and serve on the committee.

24 MR. RASMUSSEN: Is that address sufficient
25 for what you want, or do you want us to write it

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1 separately?

2 MR. PETERSON: Our addresses are both on
3 this.

4 MR. MORGAN: No, that's fine. Yes, that's
5 fine.

6 MR. PETERSON: Thank you.

7 MR. MORGAN: And --

8 MR. MCBRIDE: I just had a couple follow-up
9 questions.

10 MR. MORGAN: Go ahead, quickly.

11 FURTHER EXAMINATION

12 BY MR. MCBRIDE:

13 Q. On the current status of Mr. Robbins'
14 liquidity, do you know what it is?

15 A. I don't think he has any money whatsoever.

16 Q. Do you know -- you've gone through a number
17 of issues today where there's a lot of people doing
18 various lawsuits in the Bahamas. There's attorneys
19 down there working on it, and I assume they're being
20 paid.

21 A. Well, we had a -- Jim Nesland is working
22 with us. I don't know his financial arrangements.
23 He's worked that out with Pelican.

24 Q. You mentioned Jeff Jones. Is he still --

25 A. Jeff Jones is no longer --

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1 Q. He's no longer --

2 A. -- anything other than a person who gives
3 opinion, but he's been helping us.

4 Q. Do you know if your bankruptcy counsel is
5 being paid anything?

6 A. I don't know the pay and structure of these
7 guys, no.

8 Q. Are you aware if the Mr. Altman you
9 mentioned earlier is being paid anything?

10 A. Not by Mark Robbins.

11 Q. Who is he being paid by?

12 A. I'm not aware, I -- not by Mark, though.

13 Q. So you know he's -- you know Mark is not
14 paying him.

15 A. Mark doesn't have any money. That's
16 simple.

17 Q. I guess that's my question, is there's a
18 lot of lawsuits being pursued here and usually people
19 don't pursue things for nothing. So I'm just wondering
20 where that money is coming from.

21 A. I assume Pelican.

22 Q. Pelican is Mark Jensen?

23 A. I don't honestly know who's in it, but I
24 assume Pelican.

25 Q. So Pelican appears to be the money that is

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1 funding a lot of this and is also the one that the
2 stock lending business is being pushed into?

3 A. (Inaudible response.)

4 Q. One last line of questions. Are you
5 familiar with how much money -- are you familiar with
6 whether or not Mr. Robbins flew on the jet?

7 A. Yes.

8 Q. And how frequent was that?

9 A. Frequent.

10 Q. Okay. Are you aware that he spent over
11 \$2 million in 2007 on jet trips?

12 A. I don't know the dollar amount, but sounds
13 probable.

14 Q. And did some of those trips include trips
15 to Las Vegas?

16 A. Yes.

17 Q. To visit Pure Nightclub?

18 A. Yes.

19 Q. And you're aware that in 2007 over \$900,000
20 was spent at Pure Nightclub?

21 A. I was not aware of that.

22 Q. That's all the questions that I have.

23 MR. MORGAN: Thank you.

24 MR. ANDREASON: I just maybe have one or
25 two.

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1 MR. BLOTTER: Can we maybe conclude this
2 and they can have a 2004 group? We've been here three
3 hours. This is kind of ridiculous.

4 MR. PETERSON: I had to fly in from out of
5 town, so if we have only have two more questions, I'd
6 be happy to have them.

7 MR. BLOTTER: Well, I think we got started
8 a little late.

9 MR. MORGAN: Yeah, we did. That's my
10 fault. I apologize.

11 Mr. Blotter has to be at another hearing,
12 so we maybe have five minutes then.

13 MR. ANDREASON: I'll take less than that.

14 MR. MORGAN: All right.

15 MR. ANDREASON: Rod Andreason again of
16 Kirton & McConkie, representing Fair Star Resources
17 Limited and Gold Law Party Limited.

18 FURTHER EXAMINATION

19 BY MR. ANDREASON:

20 Q. Mr. Benson, we talked a little bit about
21 Mr. Jack Bistricher and his Talisker entities owing
22 money to Mark Robbins. Do you recall that?

23 A. Yes.

24 Q. Does he also owe money to AIP, as a
25 separate entity?

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1 A. No.

2 Q. Are you aware of Mr. Bistricher's -- let me
3 step back.

4 Are you aware of the financial position of
5 the Talisker entities in terms of their assets?

6 A. Just the rumors like everybody else.

7 Q. Do you have any personal knowledge of how
8 much money Mr. Bistricher or the Talisker entities
9 possess?

10 A. No, I do not.

11 Q. That's good enough.

12 MR. MORGAN: Thank you. Did you have one
13 more?

14 MR. PETERSON: No.

15 MR. MORGAN: All right. All right. Other
16 than this organizational meeting for me and the
17 creditors, I will -- this will conclude the meeting of
18 creditors for now.

19 Mr. Benson, you're free to go.

20 That was fun guys. Let's do this again
21 sometime.

22 (End of proceedings.)

23

24

25

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C E R T I F I C A T E

STATE OF UTAH)
):
COUNTY OF UTAH)

I, DEIRDRE RAND, a Certified Court Reporter, Registered Professional Reporter, and Notary Public in and for the State of Utah, residing in Utah County, Utah, do hereby certify:

That the foregoing was transcribed from the electronic recording made of these proceedings.

That this transcript is full, true, and correct and contains all of the evidence, all of the objections of counsel and rulings of the court and all matters to which the same relate which were audible and intelligible through said recording.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the outcome thereof.

That certain parties may not have been identified in the record and therefore the name associated with the statement may not be the correct name as to the speaker, and that some names may have been spelled phonetically.

WITNESS MY HAND and official seal this 10th day of July, 2009.

DEIRDRE RAND, CCR, RPR

My Commission Expires:

July 28, 2012.

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1 Q. You mentioned documentation regarding
2 the -- well, step back.

3 The owner of the interest in the island --
4 as I understand it, AIP wholly owns AIP Resort
5 Development; is that correct?

6 A. Yes.

7 Q. And AIP Resort Development wholly owns
8 Hermitage Estates?

9 A. Fifty percent of Hermitage Estates.

10 Q. AIP Resort Development owns 50 percent of
11 Hermitage Estates.

12 You mentioned earlier, switching topics,
13 the \$2 million in loans that Allison Robbins has made
14 from trust to AIP. Do you recall that?

15 A. Yes.

16 Q. And that there was documentation to that
17 effect?

18 A. I've never seen the document but, yes, I'm
19 under -- I was told that Jeff Jones prepared that loan
20 a few years ago.

21 Q. Do you understand that that documentation
22 is still in his possession?

23 A. I would assume that, but I have no way of
24 knowing.

25 Q. You don't know either way? If we do

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1 proceed, that might be something that we would
2 recommend to the trustee.

3 MR. MORGAN: So tell me again what --

4 MR. ANDREASON: The documentation of the
5 AIP loans from Allison Robbins, Mark Robbins's wife.

6 BY MR. ANDREASON:

7 Q. Mr. Benson, on page 4 of 9 of the
8 statement, Financial Affairs About This Bankruptcy, it
9 references under section ten, "Transfers to Pelican
10 Equity, L.L.C., as of April 6, 2009."

11 A. Okay.

12 Q. Do you have that in front of you?

13 A. I have page 4.

14 Q. Page 4 of the other document, the
15 statements -- the financial statements.

16 A. Okay. I have that in front of me.

17 Q. If you look down at the bottom, it shows an
18 April 6, 2009, transfer to Pelican Equity, L.L.C. It
19 describes the property -- certain intellectual
20 properties and legal claims. Do you know what the
21 nature of that property is?

22 A. No. I do know that Mark Robbins
23 personally, outside of AIP, had legal claims in The
24 Canyons litigation, but I do not know if that's what
25 this is referring to. But I presume that was probably

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1 possible.

2 Q. Below that it says, "Value: Arrangement of
3 loan and payment by DPR Management, L.L.C., of funds
4 which permitted debtor to consummate a standstill
5 agreement with the judgment creditor." Do you see
6 that?

7 A. I do.

8 Q. Do you know what that means?

9 A. No. I have no idea who DPR is.

10 Q. And I assume that the transfer below
11 regarding DPR Management, L.L.C., is also something
12 that you don't have information regarding?

13 A. I do not. Anything regarding DPR I am
14 unfamiliar with.

15 Q. Did you participate at all in any of the
16 transfers to Pelican Equity, L.L.C.?

17 A. No.

18 Q. While we're on that document, turn to page
19 1 and see the financial affairs. Section one lists
20 amounts of income from employment or operation of the
21 source.

22 A. Okay.

23 Q. It's on page 1 of that same document we
24 were just looking at.

25 A. Okay.

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1 Q. Do you have an understanding as to where
2 this \$2 million for 2008 was actually derived?

3 A. No.

4 Q. Were you involved with AIP in 2008?

5 A. Yes. I know we took in money in 2007. I
6 don't know what 2008 would be, unless we carried over
7 some payment or it could be another payment from The
8 Canyons job in Ogden.

9 Q. Before you transitioned out of actual work
10 with AIP as an advisor, which I understand is your
11 present capacity, what was your position there?

12 A. It's really always been the same. I was
13 just involved in the real estate side of it.

14 Q. Have you ever been an employee of AIP?

15 A. I've never received a paycheck from AIP,
16 never been an officer or director.

17 Q. Who would know what this \$2 million amount
18 was referring to?

19 A. Mark Robbins or whoever -- whatever
20 accountant did the taxes.

21 Q. Would Jeff Jones know?

22 A. Probably.

23 Q. Regarding 2007, it also lists an operations
24 income amount of \$6 million. Do you see that there?

25 A. I do.

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1 Q. Are you aware of what that refers to?

2 A. I know we had income in 2007 from The
3 Canyons. I have no idea how the write-offs got to six
4 million, but I would assume that that looks correct.

5 Q. What was that income from The Canyons?

6 A. I don't know what would be construed as
7 income. The payment was 15 million.

8 Q. And who made that payment?

9 A. It was paid from Talisker to Mark.

10 Q. I understand that there are many Talisker
11 entities. Do you know which entity made that \$15
12 million payment?

13 A. No.

14 Q. When you say "to Mark," do you mean to Mark
15 personally or to AIP?

16 A. It was actually made to Mark. The deal was
17 with Mark personally, so Mark would have put in any
18 income to AIP out of his own personal income for
19 operations.

20 Q. Do you know why Mark received \$15 million
21 from one of the Talisker entities?

22 A. For a transfer of the The Canyons.

23 MR. MORGAN: Are you saying 50 or 15?

24 THE WITNESS: Fifteen.

25 MR. MORGAN: Go ahead.

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1 BY MR. ANDREASON:

2 Q. What do you mean by "transfer of The
3 Canyons"?

4 A. Mark held a contract on The Canyons that
5 Talisker wanted, so they paid him to take the position.

6 Q. Do you know the nature of that contract?

7 A. Yes.

8 Q. What was it?

9 A. What are you asking, specifically?

10 Q. You said he held a contract. What was the
11 contract that he held?

12 A. Well, we held the contract for the land and
13 we -- with Kenny Griswold, and we held a contract for
14 the operations with American Ski Company. And the
15 nature of the specific transaction was between Talisker
16 and Mark Robbins for the operational side through AFC.

17 Q. So did this Talisker entity pay Mark
18 Robbins \$15 million to assign the rights under this
19 contract that you just referred to?

20 A. That was an initial payment, there was also
21 equity that was supposed to go with it, and there was
22 also additional monies that were supposed to come
23 later. They never came, and that's the money Mark was
24 banking on to pay everybody off. But it never came,
25 so...

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1 Q. Has Mark --

2 A. That's why we're here, actually.

3 Q. Has Mark filed a lawsuit to recoup these
4 payments?

5 A. I'm not sure the situation there. I would
6 assume that that's what was referred to when he said
7 "legal claims." But I know that there's a strategy
8 there that I can't discuss. I don't know how far they
9 are in that strategy now.

10 Q. Does AIP have a direct interest in those
11 amounts, or is this only Mark Robbins?

12 A. It was Mark Robbins, personally. Mark
13 Robbins basically funded AIP out of his own --

14 Q. Are there outstanding loans to Mark Robbins
15 that are not listed on these statements and schedules?

16 A. I don't know.

17 Q. When you say "provided money to AIP," do
18 you mean a capital investment or a personal loan?

19 A. I don't know that either.

20 Q. If you turn to page 3 of the same
21 statement, there's a description under subsection B of
22 all property that's been attached, garnished, or seized
23 under any legal, equitable process. Do you see that?

24 A. What paragraph are you referring to?

25 Q. It's paragraph labeled B at the top of the

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1 page.

2 A. Yes. Okay.

3 Q. Below, in the section that says, "Date of
4 Seizure, 11/24/08," November 24, 2008, it lists a
5 certain revolving line of credit agreement dated
6 10/10/06 between debtor's lender, AIP Resort
7 Development, L.L.C., as borrower. Do you see that?

8 A. Yes.

9 Q. With whom is that revolving line of credit
10 opened?

11 A. That would be Talisker.

12 Q. And again, you don't know which Talisker
13 entity?

14 A. Oh, no. No, I'm sorry, I take that back.
15 This is \$31 million that --

16 Q. This is page 3 of the same --

17 A. Mark put in about \$30 million to Exuma for
18 legal, for -- we have a breakdown of that. But that is
19 a loan that he was hoping to recoup, assuming we sold
20 Exuma for 60 million or 70 million.

21 Q. Is this a loan to Mark Robbins, personally?

22 A. No, I believe the loan was from AIP to
23 AIPRD.

24 Q. So is AIP the entity that opened the
25 revolving line of credit?

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1 A. Why are you saying it's a revolving line of
2 credit?

3 Q. That's the way it says it is right here in
4 the statements. It says, "Certain revolving line of
5 credit agreement" -- I'm sorry, "Revolving line of
6 credit agreement."

7 A. Yeah, it's just an agreement. It wasn't
8 like a -- it was money put in over time, a couple
9 million here, a million there, over five years.

10 Q. That AIP loaned on a revolving basis to
11 AIPRD?

12 A. Yes.

13 MR. ANDREASON: If this does proceed, I'd
14 recommend the trustee also get a copy of that
15 agreement. It seems to be key here.

16 MR. MORGAN: You don't have a copy of that,
17 I assume?

18 MR. BLOTTER: Durham Jones & Pinegar does
19 have a copy of that.

20 MR. MORGAN: Okay.

21 BY MR. ANDREASON:

22 Q. Below that it indicates there's a
23 promissory note dated 10/10/06, in the principal amount
24 of 30 million. Do you see that as well?

25 A. Yes.

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1 Q. Is that tied to that same revolving line of
2 credit agreement?

3 A. Yeah, they're referencing the same
4 situation.

5 Q. Does Durham Jones & Pinegar also possess a
6 copy of that document?

7 A. Yes.

8 MR. ANDREASON: I make the same
9 recommendation regarding that.

10 MR. MORGAN: Yeah, we'll ask for that.

11 BY MR. ANDREASON:

12 Q. There's also a collateral assignment dated
13 10/10/06 from AIP Resort Development in favor of
14 debtor, a secured party. Do you see that?

15 A. Yes.

16 Q. Do you know what that is?

17 A. I don't. I do not.

18 Q. So you don't know who might possess that
19 document?

20 A. I would assume all these documents were
21 done through Durham Jones & Pinegar. I don't know, I
22 don't assume -- I don't know.

23 MR. ANDREASON: I would also make that
24 recommendation that we --

25 MR. BLOTTER: He doesn't know where it's at.

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1 MR. ANDREASON: I understand. He's
2 testified that Durham Jones & Pinegar has done their
3 work for the last several years and has other related
4 documents. So we I think can at least make the request
5 and see what they possess, at least the trustee can.

6 BY MR. ANDREASON:

7 Q. Mr. Benson, we've discussed that Seven
8 Investments, L.L.C., is the lone member holding a
9 hundred percent interest in this debtor, AIP. Do you
10 recall that?

11 A. Yes.

12 Q. I just want to make sure, is that a correct
13 statement?

14 A. That's my understanding.

15 Q. Does Seven Investments, L.L.C., have any
16 officers?

17 A. I am under the impression that the original
18 breakdown was 51 percent Mark, and 49 percent Allison
19 Robbins.

20 Q. And those are those that own a percentage
21 interest in the L.L.C.? Is that still the current
22 membership owners -- member/ownership interest levels?

23 A. You tell me, since you own 51 percent of it
24 now, right? Is that correct?

25 Q. Well, we're asking questions of you because

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1 there is certain information that you have that we
2 don't have. That's what you're at this meeting for.

3 A. In this particular topic, I'm sure he knows
4 more about this entity than I do.

5 MR. MORGAN: We're talking about Seven
6 Investments?

7 THE WITNESS: Yes. I know very little
8 about Seven Investments, L.L.C.

9 MR. MORGAN: Your understanding is that
10 Mark owns 51 percent of Seven and Allison owns 49?

11 THE WITNESS: Forty-nine.

12 BY MR. ANDREASON:

13 Q. You're not aware of the actual officers in
14 Seven Investments, L.L.C., are you?

15 A. No.

16 Q. Or its directors?

17 A. No.

18 Q. Mr. Benson, you indicated earlier that the
19 AIP Resort Development, L.L.C., as an entity has
20 been -- I'll take a step back.

21 Under the Summary of Schedules, Schedule
22 B., item No. 13, it lists AIP Resort Development,
23 L.L.C., as an asset of AIP. Are you aware of that?

24 A. Sure.

25 Q. Could you turn to that page, please, for

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1 me? It's on page 4 on that summary of schedules.

2 A. It's not the summary schedules, is it?

3 Q. It's Schedule B. I guess the summary is at
4 the beginning. Have you got it?

5 A. That's page 4? What page is it?

6 MR. MORGAN: That's correct, 4 of 18.

7 BY MR. ANDREASON:

8 Q. This appears to list a five and a half
9 million dollar value of AIPRD. Do you see that? So
10 looking at page 4 of Schedule B --

11 A. Yeah, you're on this page, 1 of 4.

12 Q. Yeah. Right there.

13 A. Okay.

14 Q. Do you see under item 13, where it says,
15 "Stock and interest in incorporated or unincorporated
16 businesses."

17 A. Yes.

18 Q. And it lists AIP Resort Development, L.L.C.

19 A. I do.

20 Q. What do you understand is the manner in
21 which the five and a half million dollar value was
22 derived?

23 A. Based on our negotiations previously on the
24 island, and based on our interest, and based on what we
25 were told we could sell it for under the current

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1 situations before the court filing a couple weeks -- a
2 couple days ago.

3 Q. So essentially, this is the value of
4 AIPRD's ownership in Hermitage, which owns a portion of
5 the Little Exuma Island?

6 A. It's a probable value, yes. The number
7 could go up, the number could go down, based on how we
8 get through the litigation at this point.

9 Q. And I think we also discussed before that
10 AIPRD owes AIP \$30 million, roughly, in a note?

11 A. Yes.

12 Q. So five million in assets, 30 million in
13 debt, this is probably -- in essence, the \$30 million
14 is not likely to be repaid; is that correct?

15 A. I don't know.

16 Q. Any other assets upon which this five and a
17 half million dollar amount is based?

18 A. No.

19 Q. I'm sorry, I think you said -- was it
20 Cushman & Wakefield that did the five and a half
21 million dollar appraisal?

22 A. Well, it was an informal opinion of value
23 based on current market standings and the transactions
24 they've done down there. To turn it into a full-on
25 multi-page appraisal, I believe we'd have to come up

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1 with \$75,000 to address that, based on that previous
2 request.

3 MR. ANDREASON: And that's already been
4 requested that you provide that document? That's been
5 addressed to you?

6 MR. BLOTTER: We're not going to come up
7 with \$75,000 for one, but we'll provide what they've
8 already provided us. What's been provided, we'll
9 provide to the trustee.

10 MR. ANDREASON: Heaven knows we don't want
11 you to incur any other expenses for AIP, but the
12 documents have been provided.

13 BY MR. ANDREASON:

14 Q. Are you aware of the entities that are
15 owned by AIP?

16 A. As far as what's listed here, AIP Jet, True
17 North, and things like that, I'm aware of -- to the
18 extent you are, that these are other entities. I'm not
19 really sure what they function as, if they function.

20 Q. What I'm wondering is, can you look at this
21 list and identify a missing company?

22 A. Not off the top of my head.

23 Q. You are not personally aware of what
24 entities AIP owns?

25 A. Every time -- every time Mr. Robbins