

**UNITED STATES OF AMERICA**  
**Before the**  
**CONSUMER FINANCIAL PROTECTION BUREAU**

**ADMINISTRATIVE PROCEEDING**  
**File No. 2013-CFPB-0002**

**In the Matter of:**

**3D Resorts-Bluegrass, LLC**

**REQUEST FOR ISSUANCE OF  
SUBPOENAS REQUIRING THE  
ATTENDANCE AND TESTIMONY  
OF WITNESSES AT THE  
DESIGNATED TIME AND PLACE  
OF HEARING**

The Consumer Financial Protection Bureau (“Bureau”), pursuant to 12 C.F.R. § 1081.208 respectfully requests the issuance of the subpoenas to the individuals listed below requiring their attendance and testimony at the hearing in this matter scheduled to commence on August 14, 2013. In accordance with 12 C.F.R. § 1081.208(b), the Bureau has attached hereto as **Exhibit A** the proposed subpoenas. In support of this request and in accordance with 12 C.F.R. § 1081.208(b), below is a brief statement for each proposed subpoena showing the general relevance and reasonableness of the individual’s testimony.

As previously discussed with counsel for the Respondents, in addition to the Bureau’s principal witnesses, including the Bureau’s investigator, Mr. Newman (the principal of 3D Resorts-Bluegrass, LLC), and Mr. Duddy (the Chapter 11 Trustee), the Bureau may present testimony or information from additional persons (purchasers of lots on the resort property), whose names are set forth below. This testimony may be related through the testimony of a Bureau investigator, by an affidavit or declaration, or by direct testimony. Additionally, several

consumer declarations have already been produced to the Respondents and are listed on the Bureau's exhibit list. If the Bureau decides to introduce additional affidavits as exhibits at the hearing, it will promptly advise the Respondents and the Court.

**1. Subpoena for the Testimony of Ronald G. Newman, Jr.**

Ronald G. Newman, Jr. is a principal of 3D Resorts-Bluegrass, LLC ("3D Resorts-Bluegrass"). Mr. Newman has knowledge of the acquisition, development, financing, operations, policies, procedures, management, efforts to attract purchasers, interactions with purchasers and potential purchasers, marketing, sales, promissory notes and mortgages, communications with other relevant persons and entities, and other activities related to the property commonly known as the Green Farm Resort or The Falls Resort (the "Resort Property") located in Grayson and Breckinridge Counties in the Commonwealth of Kentucky, and the Bureau will call him to testify regarding these and other related matters.

To further expedite the proceedings and preserve the resources of the parties and the Court, the Bureau may also present Mr. Newman's testimony given during his May 8, 2013 Investigational Hearing in lieu of or in addition to his live testimony. The Respondents have already been provided copies of this transcript, as well as all of the exhibits used in that hearing, and the Bureau identified the transcript from Mr. Newman's May 8, 2013 Investigational Hearing and the associated exhibits on its exhibit list for the hearing.

**2. Subpoena for the Testimony of Thomas M. Duddy, Chapter 11 Trustee.**

Thomas M. Duddy, Chapter 11 Trustee, was appointed post-petition to serve as the trustee for 3D Resorts-Bluegrass in the bankruptcy proceeding pending in the United States Bankruptcy Court in the Western District of Kentucky, styled *In re 3D Resorts-Bluegrass, LLC*, case number 11-41599. As the Chapter 11 Trustee for the bankruptcy estate of 3D Resorts-

Bluegrass, Mr. Duddy has knowledge of the acquisition, development, financing, operations, policies, procedures, management, efforts to attract purchasers, interactions with purchasers and potential purchasers, marketing, sales, promissory notes and mortgages, communications with other relevant persons and entities, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**3. Subpoena for the Testimony of Jonathan Burke.**

Jonathan Burke purchased two lots on the Resort Property. Dr. Burke has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of lots on the Resort Property, the lots he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**4. Subpoena for the Testimony of Daniel Diehl.**

Daniel Diehl purchased a lot on the Resort Property. Mr. Burke has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of a lot on the Resort Property, the lot he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**5. Subpoena for the Testimony of Kathleen Gervais.**

Kathleen Gervais purchased a lot on the Resort Property. Ms. Gervais has knowledge of her interactions and communications with 3D Resorts-Bluegrass and its agents, her purchase of a lot on the Resort Property, the lot she purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call her to testify regarding these and other related matters.

**6. Subpoena for the Testimony of Steven Horn.**

Steven Horn purchased a lot on the Resort Property. Mr. Horn has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of a lot on the Resort Property, the lot he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**7. Subpoena for the Testimony of Robert Lee.**

Robert Lee purchased two lots on the Resort Property. Mr. Lee has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of lots on the Resort Property, the lots he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**8. Subpoena for the Testimony of Regina Merryman.**

Regina Merryman purchased lots on the Resort Property. Mrs. Merryman has knowledge of her interactions and communications with 3D Resorts-Bluegrass and its agents, her purchase of lots on the Resort Property, the lots she purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call her to testify regarding these and other related matters.

**9. Subpoena for the Testimony of Linda Murphy.**

Linda Murphy purchased a lot on the Resort Property. Ms. Murphy has knowledge of her interactions and communications with 3D Resorts-Bluegrass and its agents, her purchase of a lot on the Resort Property, the lot she purchased on the Resort Property, other activities related to

the Resort Property, and the Bureau will call her to testify regarding these and other related matters.

**10. Subpoena for the Testimony of Daniel Ortiz.**

Daniel Ortiz purchased a lot on the Resort Property. Mr. Ortiz has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of a lot on the Resort Property, the lot he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**11. Subpoena for the Testimony of Christopher Walden.**

Christopher Walden purchased a lot on the Resort Property. Mr. Walden has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of a lot on the Resort Property, the lot he purchased on the Resort Property, and other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

**12. Subpoena for the Testimony of Ty Webb.**

Ty Webb purchased a lot on the Resort Property. Mr. Webb has knowledge of his interactions and communications with 3D Resorts-Bluegrass and its agents, his purchase of a lot on the Resort Property, the lot he purchased on the Resort Property, other activities related to the Resort Property, and the Bureau will call him to testify regarding these and other related matters.

Respectfully submitted,

Kent Markus  
Enforcement Director

Deborah M. Morris  
Deputy Enforcement Director

Michael G. Salemi  
Assistant Litigation Deputy

/s/ Gregory C.J. Lisa  
Gregory C.J. Lisa, Enforcement Attorney

/s/ Mary E. Olson  
Mary E. Olson, Enforcement Attorney  
Consumer Financial Protection Bureau  
1700 G Street, N.W.  
Washington, D.C. 20552  
Telephone: (202) 435-7615; (202) 435-7544  
Facsimile: (202) 435-7722  
Email: [Gregory.Lisa@cfpb.gov](mailto:Gregory.Lisa@cfpb.gov);  
[Mary.Olson@cfpb.gov](mailto:Mary.Olson@cfpb.gov);  
[CFPB\\_3DResorts\\_Lit@cfpb.gov](mailto:CFPB_3DResorts_Lit@cfpb.gov)  
Attorneys for Petitioner  
Consumer Financial Protection Bureau

**Certificate of Service**

I certify that on this 1st day of August, 2013, I caused the **Request for Issuance of Subpoenas Requiring the Attendance and Testimony of Witnesses at the Designated Time and Place of Hearing** to be filed and to be served upon the following parties by electronic service:

Michael A. Fiorella, Esq.  
R. Michael Sullivan, Esq.  
Sullivan, Mountjoy, Stainback & Miller  
Post Office Box 727  
Owensboro, KY 42302-0727  
*mfiorella@smsmlaw.com*  
*msullivan@smsmlaw.com*  
*Counsel for Thomas Duddy,*  
*Chapter 11 Trustee*

Thomas M. Duddy  
P.O. Box 12  
Glenview, KY 40025  
*TDuddy1080@aol.com*

William Palmer, Esq.  
18568 Forty Six Parkway, Suite 2002  
Spring Branch, TX 78070  
*wpalmer@devmmc.net*  
*Counsel to 3D Resorts-Bluegrass, L.L.C.*

Ronald G. Newman, Jr.  
18568 Forty Six Parkway, Suite 1001  
Spring Branch, TX 78070  
*jr@devmmc.net*

*/s/ Gregory C.J. Lisa*  
Gregory C.J. Lisa  
Enforcement Attorney  
Consumer Financial Protection Bureau