

EXHIBIT H

Derin Scott – September 27, 2013 Deposition (Hearing Exhibit 114)

Designated Pages	Referenced Deposition Exhibit Number	Topic
53:8 - 13		Derin Scott was aware of Federal Trade Commission's rulemaking process to amend the Telemarketing Sales Rule in 2010 with regard to debt relief services
55: 18 -56: 13		Derin Scott knew that Orion could no longer do business the way it had been because it could no longer charge advance fees after the TSR amendments took effect
58: 3 – 59:1		Scott describes changes had to be made after TSR amendments, now World Law has complete authority over Orion Processing, that means attorneys speak to clients and direct any employee at Orion, Orion's clients are World Law's clients, Orion has business agreement with World Law, agreement signed by Dave Klein, COO on behalf of Orion
60:7 -24		Derin Scott states there are no World Law attorneys at the Orion Processing location. How are employees under control of World Law attorneys if none at Orion? Scott states Orion employees are directed by attorneys that are in charge of whatever client they might be assisting. Who are those attorneys? Scott doesn't know all of the attorneys.

IN THE CIRCUIT COURT OF
FOR THE SEVENTH JUDICIAL CIRCUIT OF ILLINOIS
SANGAMON COUNTY, ILLINOIS

CASE NO.: 2010-CH 167

THE PEOPLE OF THE
STATE OF ILLINOIS,

Plaintiff,

vs.

CLEAR YOUR DEBT, SWIFTRock
FINANCIAL, ORION PROCESSING, LLC.,
DERIN SCOTT, SHANNON SCOTT,

Defendants.

_____ /

DEPOSITION
OF
DERIN SCOTT

Greenspoon Marder, P.A.
200 East Broward Boulevard, Suite 1500
Fort Lauderdale, Florida 33301

September 27th, 2013
10:32 a.m. - 12:53 p.m.

1 Q. You know; banks, credit card companies?

2 A. Excuse me. Uhm -- Not off hand.

3 Q. Have any of your companies ever had employees
4 outside the U.S.; companies that we've talked about this
5 morning, the debt settlement companies? Have any of
6 them ever had employees outside of the U.S.?

7 A. Not that I recall.

8 Q. So, having some involvement in the debt
9 settlement industry, were you aware that in 2010 there
10 was a rule-making process that occurred through the
11 Federal Trade Commission to change the telemarketing
12 sales rule as it related to debt relief services? Were
13 you aware of that?

14 A. Yes.

15 MR. EPSTEIN: Objection to the form of the
16 question.

17 BY MS. PRUITT:

18 Q. Do you know the nature of those proposed
19 amendments?

20 A. Some.

21 Q. What do you know?

22 A. I know that's when we stopped doing business
23 the way we had done business in the past. That's when
24 the law firm took over.

25 Q. And did you stop doing business as you had

1 Did Orion Processing make any comments during that
2 rule-making process to the Federal Trade Commission?

3 A. I don't know.

4 Q. You don't know?

5 A. I don't, personally, know.

6 Q. Okay.

7 A. They might have.

8 Q. If Orion Processing might have, who, probably,
9 would have done that?

10 A. That would, probably, be Randy.

11 Q. Randy Lepley? Okay. Mr. Scott, do you know
12 why the amendments to the telemarketing sales rule,
13 though the Federal Trade Commission, why those
14 amendments were made?

15 MR. EPSTEIN: Objection to form; foundation.

16 MS. PRUITT: Excuse me. Strike that.

17 BY MS. PRUITT:

18 Q. Do you know what the amendments to the
19 telemarketing sales rule were related to debt relief
20 services?

21 A. The ones in 2010, --

22 Q. Uh-huh?

23 A. -- of October?

24 Q. Uh-huh?

25 A. Yes.

1 Q. What were they?

2 A. I don't recall them all, right now. But, --

3 Q. Just, what do you recall?

4 A. That we could no longer do business the way we
5 had in the past.

6 Q. And why?

7 A. Because we didn't have the authority to have
8 clients.

9 Q. If I could refresh your recollection. Did it
10 have anything to do with advance fees?

11 A. Yes.

12 Q. And what did it have to do with advance fees?

13 A. You weren't supposed to charge advance fees in
14 the way you had prior to this.

15 Q. So, you are familiar with Brad Haskins?

16 A. Uh-huh.

17 Q. Have you ever met him?

18 A. Uh-huh.

19 Q. Where did you meet him?

20 A. Fort Lauderdale.

21 Q. And what did you talk about?

22 A. Just, met him. I asked him about his
23 business.

24 Q. And what did you learn about his business?

25 A. That he has attorneys throughout the United

1 before?

2 **A.** Right.

3 **Q.** So, what changes had been implemented to
4 permit it to continue?

5 **A.** Well, you'd have to ask Dave and Brad,
6 exactly, what all the implementations are.

7 But, my knowledge of the attorney model is,
8 usually, attorneys that do work -- debt settlement
9 companies that use an attorney's name or something like
10 that, World Law has complete authority over Orion
11 Processing. So, I don't call it an attorney model. I
12 mean, it's --

13 **Q.** So, what do you mean when you say that World
14 Law has complete authority over Orion?

15 **A.** Meaning attorneys speak to the clients, they
16 direct any employee at Orion Processing and its -- all
17 of the clients are World Law's clients.

18 **Q.** So, can you describe the -- You said that
19 Orion has a business agreement with World Law?

20 **A.** Yes.

21 **Q.** Is it just World Law or is it World Law --
22 Anything else? Is that the only name? Is it just World
23 Law?

24 **A.** I don't know.

25 **Q.** Who signed the agreement on behalf of Orion?

1 **A.** Dave Klein did.

2 **Q.** And what is Dave's title and position giving
3 him authority to do that?

4 **A.** He's Chief Operating Officer on my management
5 company.

6 **Q.** What's the name of the management company?

7 **A.** FCIN.

8 **Q.** And what does that stand for?

9 **A.** Family Capital.

10 **Q.** Family Capital?

11 **A.** Investment.

12 **Q.** And what's the relationship between FCIN to
13 Orion?

14 **A.** It's just a management company.

15 **Q.** I thought you stated earlier that the
16 agreement was between Orion and --

17 **A.** It is.

18 MR. EPSTEIN: Let her finish the question.

19 THE WITNESS: Oh.

20 MS. PRUITT: Okay.

21 BY MS. PRUITT:

22 **Q.** Do you know what fees consumers are charged
23 who enter into agreements to have their debt settled via
24 World Law?

25 **A.** No.

1 Q. Have you ever heard of World Law Group?

2 A. I've heard of it.

3 Q. Do you know what it is?

4 A. It's part of a law firm, I think.

5 Q. Part of what law firm?

6 A. World Law.

7 Q. Does World Law have attorneys at the Orion
8 Processing location?

9 A. I guess -- Is that your whole question?

10 Q. Uh-huh?

11 A. Sometimes or --

12 Q. No, just -- That's the question.

13 A. No.

14 Q. No?

15 A. No.

16 Q. So, how are the employees at Orion under the
17 control of World Law attorneys if there are none at that
18 location?

19 A. Because they're directed by the attorneys that
20 are in charge of whatever client they might be
21 assisting.

22 Q. And who are those attorneys?

23 A. I don't know all of the attorneys. I don't --
24 I'm sure you can find out.

25 Q. Mr. Scott, I'm now going to present to you

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CERTIFICATE

THE STATE OF FLORIDA)
COUNTY OF BROWARD)

I, ALEXANDRA RAMIREZ, a Court Reporter, do hereby certify that I was authorized to and did report the deposition of DERIN SCOTT, a witness called in the above-styled cause, that the witness was first duly sworn by me; that a review of the transcript was requested; and that the transcript is a true and complete record of my notes.

I further certify that I am not an attorney or counsel for any of the parties, nor related to any of the parties, nor financially interested in the action.

Dated this 10th day of October, 2013

ALEXANDRA RAMIREZ
COURT REPORTER

NBR/IMG