

**Committee for the Elimination of Dishonesty on the
Board of Directors of Sapphire Bay Condominiums West**

January 4, 2011

Note: Progress Report

Dear Condo Owner:

This letter is a progress report on the investigations of major irregularities, dishonest activities, embezzlement, insurance fraud, Condo Association By-laws violations, building code violations and other irregularities by current and past Board of Directors members and Condo managers for Sapphire Bay Condominiums West.

We understand that there are presently at least five law enforcement agencies in the USVI and on the mainland looking into these irregularities.

The charges being investigated include:

- Criminal misrepresentation of an elected official
- Insurance Fraud (Criminal)
- Building Code Violations
- Fraud (Criminal)
- Embezzlement (Criminal)
- Coastal Zone Management Code Violations (Criminal and Civil)

The Criminal and Civil investigations center on all the SBCW directors for the last ten years, the two Condo Managers, Condo Association attorneys and accountants, and Realtor Jeyan Stout.

Of particular concern in the Civil and Criminal investigations are present and past officers and Directors:

- Steven Kerschner
- Stephen Sokolow
- George (Bud) Wood

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