

Parish jailed as flight risk Agents say he couldn't answer basic questions

BY SCHUYLER KROPF, KYLE STOCK AND RON MENCHACA

The Post and Courier

He said he couldn't remember his birthday.

He didn't know his address or Social Security number.

And his hands were sweating so much, federal agents couldn't get the fingerprint ink to stick.

Fallen economist Al Parish, 49, was booked into the Charleston County jail Thursday evening, hours after a federal magistrate rejected repeated family pleas for him to be released on bail.

Federal Magistrate Robert Carr said the apparent loss of money is too great, and Parish's mental condition too cloudy, to let him go free.

"I don't think I have any option but to detain him," Carr said, adding later: "A lot of those ties to the community have been strained, to say the least."

Parish was arrested Thursday morning after turning himself in to the FBI after a warrant was issued. He was charged with a single criminal count of providing false documents and lying to the U. S. Securities and Exchange Commission. More charges are expected to follow.

Thursday's charge is "the first step on a long road for this defendant," said Assistant U. S. Attorney Charlie Bourne, who called Parish a flight risk based on the "substantial" assets that haven't been located.

During his 90-minute court appearance, federal agents testified that after he was taken into custody, Parish couldn't answer basic questions and asked where the city of Columbia was.

Thursday's criminal charge is parallel to five civil fraud allegations filed last week by the SEC in connection with a purported \$134 million in missing investments. A court hearing on that case will be held at 10 a.m. today in front of U. S. District Judge David Norton.

Shackled at his ankles and wrists, Parish moved slowly into the courtroom Thursday. He said little at the hearing, other than to acknowledge Andy Savage as his attorney. But his penchant for bright clothing was evident. He wore a black-and-white floral-print shirt, a pair of fire-engine red pants and white Croc-style clogs.

The hearing quickly turned into a debate on whether Parish should be freed on bail. Family members testified that he has no memory of events before March 29, the day he collapsed, but is now under medical care.

Parish's sister, Mary Ruth Parish, his brother, John Parish, and his mother, Kathleen

Parish, all testified that they would monitor his movements if he were allowed to stay free.

Despite his alleged amnesia, Parish now remembers the names of his four children, one family member said.

During the hearing, two FBI agents testified that "substantial assets" still are missing, although federal investigators have recovered five cars, jewels, artwork and less than \$1 million in cash and securities.

Norton will receive a preliminary report today detailing what federal investigators have found so far.

The FBI agents' comments also further detailed how investigators zeroed in on Parish's alleged scheme.

The SEC audited Mount Pleasant-based Battery Wealth Management in late March, triggering a flurry of urgent e-mails between the company's president, Wayne Cassaday, and Parish, who owned one-third of the investment firm until recently.

About 29 of Battery Wealth Management's clients had at least \$7 million in Parish's investment "pools."

Cassaday, under pressure from SEC investigators, gathered financial statements from Parish. But federal authorities say the documents that Parish provided were falsified.

Cassaday, who couldn't be reached for comment Thursday, has been sued by several investors but hasn't been charged by federal agents. He has said he was unaware of any wrongdoing by Parish.

Meanwhile, a federal judge approved an order Thursday afternoon releasing \$11,000 for Parish's wife and children to cover living expenses for the next 30 days.

If the case isn't settled in that time, the court will approve more funds on a month-to-month basis.

Parish's family members declined to answer questions, although his brother issued a statement.

"Our concern right now is for the immediate family and our thoughts and prayers are with everyone involved," he said. "We're in good shape spiritually."

The players

Three leading players in Al Parish's hearing today at the federal courthouse in Charleston:

PRESIDING JUDGE: U. S. District Judge David Norton. Appointed to the bench in 1990, Norton recently oversaw the racially hostile work environment lawsuit won by former Brentwood Middle School teacher Elizabeth Kandrac.

THE CONSERVATOR: Charleston lawyer Joe Mendelsohn is the appointed conservator for Parish. A conservator oversees the affairs of an incapacitated person. Parish allegedly suffered a bout of amnesia as the charges against him began to surface.

THE RECEIVER: David Dantzler Jr. of Atlanta is an attorney working with the court-appointed receiver, Hays Financial Consulting, that's tasked with uncovering all of Parish's assets, including cash, homes, cars, artwork and other forms of investment. Dantzler recently called the volume and diversity of Parish's assets "mindboggling."

Half a billion?

AI Parish may have had handled four times as much money for twice as many investors as federal investigators originally thought, according to a report filed by a court-appointed receiver late Thursday.

On Feb. 28, Parish's records showed 599 active investors who had a collective balance of almost \$524 million in Parish's funds, according to the document filed by the Atlanta firm that has been rounding up Parish's assets for the past week.

On April 5, investigators found less than \$124,000 in those funds, plus another \$276,000 in Parish's own accounts. Parish also put three of his five properties up as collateral for a \$3.6 million bank loan and reportedly ran up about \$800,000 in credit card debt.

A federal judge will receive the report this morning.

- *Kyle Stock*

On the Web

Read the 14-page document, "[Receiver's report](#) - Half a billion?"

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