

## TODAY'S STORIES / May 10, 2007

### **Parish indicted on 11 counts**

By Dan McCue , Staff Writer

The other shoe dropped on former Charleston Southern University economist Al Parish on Wednesday with the announcement of an 11-count federal indictment that could land in him in prison for as long as 205 years.

He also faces criminal penalties of up to \$2.5 million.

Parish, well known for his annual economic forecasts and business-sector analysis, was indicted by the U.S. Department of Justice on 10 counts of mail fraud and wire fraud.

The indictment also includes a previous federal charge that Parish made false statements and provided false documents to the U.S. Securities and Exchange Commission. That charge carries only a five-year imprisonment if convicted.

On Thursday morning, as he began to read the indictment for the first time, Parish's attorney Andrew Savage said the additional charges were not a surprise.

"As a matter of formality, things got a lot worse for Al Parish yesterday, but frankly, I always thought the initial charge of making false statements was the Justice Department's way of getting a hook in my client so they would know exactly where he was as their investigation continued," Savage said.

In light of the upcoming Memorial Day weekend holiday, Savage anticipates Parish won't be formally arraigned on the new charges until about June 1, he said.

Parish also faces six civil charges stemming from his handling of investors' funds in several informal investment pools he operated through Parish Economics LLC, Summerville Hard Assets LLC and Battery Wealth Management.

The civil case charges that Parish repeatedly provided false statements to nearly 300 investors by suggesting five funds he managed were trading profitably. In reality, investigators allege, the economist was operating a Ponzi scheme to support a seemingly insatiable penchant for extravagant collecting.

Parish has been incarcerated at the Charleston County Detention Center since surrendering to authorities on April 12. Prior to his surrender, Parish had been in the hospital, allegedly suffering from a profound case of amnesia.

U.S. District Court Judge David C. Norton last week granted a request made by Savage that his client be transported by the U.S. Marshals Service to the Medical University of South Carolina for further psychological analysis.

Savage is hoping that the assessment will be completed by next week.

Savage has been reluctant to talk in depth with Parish about the case and to prepare a defense for the economist for fear of asking something that might cause his client's amnesia, which has steadily been improving, to worsen again, he said.

Under the "speedy trial rule" that applies to federal courts, a trial on the charges could be scheduled as soon as 90 days after Parish's arraignment, Savage said.

"However, these cases are often continued by the defense, the prosecution or both," Savage said. "Given what I expect will be voluminous filings by the prosecution, I'm not sure that it's feasible that we'll be ready to go to trial by Sept. 1."

On a related note, AJ Davis and Co., the King Street clothing store Parish has owned since 2005, is up for sale. The Summerville branch of the store, which opened last year, is also up for sale.

Last week, Regions Bank, with whom Parish Economics LLC had a \$46,000 line of credit, asked the court to intercede and protect its interests regarding the account, which is now in default.

Hays Financial Consulting, the court-appointed receiver, had requested to use the credit line to keep the clothing stores open and preserve their value as a "going concern." Norton has yet to rule on the matter.

Anyone interested in submitting a bid for the two AJ Davis and Co. locations, can [e-mail](#) or call Hays Financial at (404) 926-0060.

No other dates have yet been set for the sale of other assets seized in conjunction with the case.