

## **Receiver seeks \$343K for work on Parish case**

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*By Dan McCue,  
Staff Writer*

The court-appointed receiver in the Al Parish fraud case this afternoon will ask a federal judge in Charleston for fees and reimbursements of nearly \$350,000 related to work completed in the first four weeks of the investigation.

In papers filed at the federal courthouse Wednesday night, the receiver is seeking a total of \$343,468.56 for the various investigative and legal entities that have been working to secure and catalog Parish's assets and determine whether the one-time economist may have hid some funds.

A week ago, in anticipation of the request for payment, attorney J. Davis Dantzler said the amount of the initial bill would be "huge," but said it was appropriate for the complicated task of making sense of Parish's assets and investment pools.

The bill includes \$52,515.01 in fees and expenses for receiver Gregory Hays, \$137,079 for his Atlanta-based company, Hays Financial Consulting, \$142,803.07 for Troutman Sanders, the Atlanta law firm for which Dantzler works, and \$11,071.48, for the Columbia law firm of David Popowski, which also is helping in the investigation. Hays Financial Consulting discounted its fee by 10% and Troutman Sanders by 5%.

The receiver notes in the court documents that travel time between Atlanta and Charleston was not billed unless work was done on the case in transit.

The case has been particularly complex and costly due to several factors, the receiver said, including the condition and omissions in the records Parish maintained in relation to the six investment pools he operated while also working as a professor at Charleston Southern University; the number of investors and their assets; the large number of hard assets in the case, which the receiver said to date numbers more than 2,000 individual items; the lack of a systematic method of storing and maintaining these assets; and the difficulty in determining their actual value.

The receiver also quantified the case in the filing, saying Parish's investment offerings raised in excess of \$112.5 million from 600 to 650 individuals.

In addition to the hard assets secured after the initial federal charges were filed against Parish on April 5, the receiver also secured \$743,689.23 from bank accounts, note payments and other sources.

This afternoon the receiver will ask the court for permission to liquidate A.J. Davis & Co., the upscale King Street clothier Parish purchased in 2005. According to court documents, the receiver believes continuing to

try to operate the store would not be in the best interest of Parish's investors.

The King street store lost more than \$100,000 for the first four months of 2007, and its total accounts payable during that period were \$275,000, and 60 days past due on average.

Although the store had a total of \$40,000 in its bank accounts, one of its secured creditors, Regions Bank, claims that most of that money came to Parish in the form of a single loan it wants back, the receiver said.

The receiver closed A.J. Davis & Co.'s Summerville location in early May, netting \$45,000 in proceeds from closeout sales. He intends to close the King Street location on June 16.

The receiver has asked that \$35,000 raised through liquidation sales at the two stores be used to pay expenses incurred related to maintaining them and trying to find an interested buyer, \$46,000 be paid to Regions Bank, and any remaining money be use to pay for the operation of the stores, including employee salaries through the closure date.

The receiver will also ask the court today to establish July 31, 2007, as the deadline for investors and other potential creditors to file a claim in the case. To date, the receiver said, more than 150 individuals have filed claims.