

Parish agrees to plead guilty

In exchange for plea, prosecutors will drop most charges

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Disgraced former Charleston Southern University economist Al Parish has struck a deal with federal prosecutors and will change his plea from innocent to guilty Friday in the massive case of investor fraud that cost his clients nearly \$90 million.

Details of the agreement have not been released, but Parish's lawyer said that in exchange for the plea, the U.S. Attorney's Office will drop eight of the 11 criminal fraud charges prosecutors filed against him.

The maximum penalty faced by Parish, 50, a former economics professor and self-proclaimed investment guru, will decrease from 205 years to 45 years.

Parish's punishment, however, may be much less because maximum sentences are rarely imposed and federal sentencing guidelines are no longer mandatory, only advisory.



Al Parish

U.S. District Judge David Norton will set the penalty, weighing Parish's defense of his financial acts against testimony of how his fraud disrupted the lives of his investors, who in some cases lost their life savings.

Parish is scheduled to be in court at 9 a.m. Friday. He will not be sentenced at the hearing. That

will come weeks or months later.

Parish's lawyer, Andy Savage, said no sentencing recommendation will come from the government. "There's no assurance what his sentence will be," he said Tuesday.

Once the agreement is entered, Savage's next step will be to help Parish mitigate his prison time and explain how he came to burn through the savings of almost 500 people and businesses, including some \$8.4 million invested by his employer, Charleston Southern University.

"There's a lot of work to do between now and his sentencing," Savage said.

Half of the total cash loss came from a single investor — Dr. Kalpana Patel, a New York resident, who deposited about \$30 million in Parish's "informal pools" of investments, though it is believed some of the money came from family and friends.

The current charges against Parish include 10 counts of mail or wire fraud, which carry a maximum sentence of 20 years each, and one count of providing false information to investigators, which carries a maximum of five years in prison.

Al Parish Archives



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All but eight of the fraud charges would be dismissed under the agreement.

Parish was indicted in April shortly after federal investigators seized his assets and launched a civil fraud probe of his unregistered offerings of private investment pools.

As the case expanded, agents discovered that about 460 investors were swindled. Most of Parish's investment accounts were nearly empty when investigators closed in. After the criminal charges were filed, Parish spent 49 days in jail before being released on bond. He has been staying with family in Hollywood since.

As word spread Tuesday that Parish will admit his guilt, some investors began to relive their involvement. Steven Marshank, a 57-year-old investor from Oregon, said that he and his wife wrote off their loss "emotionally" months ago. They have tried to forget their dealings with the flamboyant economist, though Marshank said they could have bought a bigger house with the "substantial amount" of cash that vanished under his care.

Still, Marshank said, a prison sentence would be justified.

"Part of me says this is a misguided human being that was completely psychologically impaired and he has a family and four kids, but part of me says that he knowingly, maliciously and intentionally defrauded a lot of people out of a lot of money," he said. "He's really ruined some people. I do think he should be made to pay."

Parish used much of the incoming cash to bankroll a lavish lifestyle which included a half-dozen homes, customized cars, garish clothing, fine art, kitsch and diamond-encrusted pens.

Partially through an auction, investigators have turned Parish's booty into about \$3.3 million, a fraction of what he paid for his collections.

When the math is done, they expect to salvage less than 10 percent of what investors put in, and much of the proceeds will pay for the search and sale of the estate by a team of attorneys, accountants and appraisers.

Marshank said that he feels sorry for Parish but is trying to forget his decision to become involved in his errant investment.

"As long as you're embittered, then Al still has a grip on you," he said. "And I refuse to let him dampen my life any further."

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