

**EXHIBIT A**

**UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH CAROLINA  
CHARLESTON DIVISION**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**ALBERT E. PARISH, JR., PARISH  
ECONOMICS, LLC, and  
SUMMERVILLE HARD ASSETS, LLC,**

**Defendants.**

**CIVIL ACTION NO.  
2:07-cv-00919-DCN**

**PLAN FOR CLAIMS ADMINISTRATION AND  
DISTRIBUTION OF PROCEEDS**

The provisions of this Plan shall govern and control the submission, review and resolution of the claims of investors and other creditors of Albert E. Parish, Jr. ("Parish"), Parish Economics, LLC ("Parish Economics") and Summerville Hard Assets, LLC:

**SECTION 1 – DEFINITIONS**

Certain terms are defined in the substantive provisions of this Plan. The following terms and definitions are applicable throughout this Plan:

**Court.** The United States District Court for the District of South Carolina, Charleston Division, Judge David Norton presiding.

**Funds Tracing Database.** The database compiled by the Receiver Team, which is based upon bank records and other source documents and information, and reflects the receipt, disbursement, and use of monies by the Receiver Defendants from Investors and others.

**Investment Pools.** The investment offerings purportedly maintained by Parish, including the Hedged Income Pool; the Stock Pool; the Commodity Futures Pool; the Hard Asset Pool; and the Loan Pool.

**Investor.** Any person or entity who invested funds with Parish on or before April 5, 2007.

**Motion.** The Receiver's Motion to Approve Plan for Claims Administration and Distribution of Proceeds and Memorandum of Law in Support Thereof.

**Plan.** This Plan for Claims Administration and Distribution of Proceeds.

**Parish.** Albert E. Parish, Jr., individually, together with Parish Economics, LLC and Summerville Hard Assets, LLC.

**Receiver Estate.** All money and other assets recovered in this proceeding, including Parish's assets, that are in the custody and under the control of the Receiver.

**Receivership Orders.** The Order Appointing Receiver, entered in this action on April 5, 2007 and the Order entered in this action on April 12, 2007.

**Receiver Team.** The Receiver, S. Gregory Hays, and the team of professionals engaged by him to assist in the administration of this Receivership. The Receiver Team includes Hays Financial Consulting, LLC, Troutman Sanders LLP, and Popowski Law Firm, LLC.

## **SECTION 2 – CLAIMS ADMINISTRATION**

### **Section 2.1 – Notice.**

In or about April 2007, the Receiver mailed a Claim Form to all known Investors and Creditors. The Receiver also posted the Claim Form on his website. As Creditors have become known to the Receiver during the course of this receivership, Claim Forms have been provided to them. Contemporaneously with the filing of this Plan, the Receiver has mailed to each Investor and other Creditor a notice of the filing of the Motion. The Notice is also posted on the Receiver's website ([www.haysconsulting.net](http://www.haysconsulting.net)). These notifications, coupled with the various communications provided for in the Plan, are reasonable and sufficient notice to all persons and entities regarding the Receiver's claims administration and funds distribution processes. Any and all written notices or other communications shall be delivered by First Class U.S Mail to the last known address of all Investors, Creditors or other interested parties. Delivery shall be deemed effective three days after the date of mailing. Claimants are responsible for keeping the Receiver informed as to their current mailing address.

### **Section 2.2 – Submission of Claims.**

(a) Any Investor, Creditor or other interested party seeking payment from the Receiver Estate must submit a Claim with the Receiver using the Claim Form or in such other form as permitted by the Receiver. Claimants are responsible for making certain that their Claim Forms have been properly completed, that all required supporting information has been provided, and that the Claim has been timely submitted to the Receiver. Any Claim that does not conform to the provisions of this Plan, or reasonably comply with the instructions included in the

applicable Claim Form, may be rejected by the Receiver and shall be treated as if no Claim had been timely submitted.

(b) All Claims must be submitted to the Receiver at the following address:

Hays Financial Consulting, LLC  
Atlanta Financial Center  
3343 Peachtree Road, Suite 200  
Atlanta, Georgia 30326-1420

***Claims should not be filed with the Court. By submitting a Claim with the Receiver, a Claimant is deemed to have submitted to the personal jurisdiction of the Court.***

(c) Pursuant to an Order dated June 14, 2007, this Court established July 31, 2007 as the "Bar Date" for Investors and Creditors to submit Claims. Any Claimant who has not timely submitted a Claim prior to the deadline(s) established by the Receiver and the Court may be forever barred from asserting a Claim against the Receiver Estate. Notwithstanding the previous sentence, the Receiver may, in his sole discretion, allow individual Claims to be submitted after the Bar Date and/or in a form other than the Claim Form.

#### **Section 2.3 – Claimants Must Establish Claim With Reasonable Certainty.**

Each Claimant is responsible for establishing the nature and amount of a submitted Claim, as well as that the named Claimant is the appropriate party entitled to payment for said Claim. Investor Claimants must prove to the Receiver's satisfaction both the principal amount(s) invested with Parish *and* the amount(s), if any, paid to or on behalf of the Investor Claimant by Parish (or any other party in complete or partial satisfaction of the amounts claimed). Creditor Claimants must prove to the Receiver's satisfaction the nature of the debt that is the subject of the Claim, as well as the unpaid principal balance due and owing by Parish.

#### **2.4 – Aggregation of Assets in a Common Fund.**

There is no evidence that Parish segregated the monies invested by Investment Pool. Moreover, the available evidence makes clear that Investors' monies were commingled during the time period for which bank records are available. Hence, all assets of the Receiver Estate are being administered as a common fund. All Investor and Creditor Claims will be treated as Claims against this single common fund, regardless of the specific investment (*i.e.*, Investment Pool) specified by each Investor. Distributions will be made from and based upon the cumulative value of all cash and other assets included in the Receiver Estate, *i.e.*, the common fund.

### **SECTION 3 – CLAIMS ANALYSIS AND DETERMINATION**

The Receiver and/or other members of the Receiver Team will review each Claim to determine the validity of the Claim, *i.e.*, the identity of the appropriate Investor or Creditor Claimant, the amount invested by the Investor Claimant, the amount (if any) received by the Investor Claimant (directly or indirectly) from Parish, and nature of the debt and the amount owed to the Creditor Claimant. Using the information provided by the Claimant, as well as other

information available to the Receiver Team (e.g., the Funds Tracing Database, bank records and Parish's records), the Receiver shall determine whether each Claim should be allowed as submitted, allowed in an amount other than that claimed by the Claimant or denied altogether.

### **3.1 – Additional Information**

As a part of the claims review process, the Receiver shall have the right to request, and the Claimant shall have the obligation to provide to the Receiver, any additional information and/or documentation deemed relevant by the Receiver in determining the identity of the Claimant and the amounts relevant to the Receiver's evaluation of the validity or amount of the Claim.

### **3.2 – Identity of Claimants.**

(a) Each Investor will be treated separately from other affiliated or related Investors. For example, a husband and a wife or an individual and that individual's IRA having separate accounts will be treated as discrete investors and therefore will be required to submit separate Claims. However, because Investors' funds were commingled, investments in discrete Investment Pools will not be considered in making the determinations described below.

(b) If the information on the Claim Form is consistent with the information in the Funds Tracing Database and/or Parish's records, the Receiver will deem the individual or entity who submitted the Claim Form as the Claimant. If there are any discrepancies between the information provided on the Claim Form and the other available information, the Receiver shall have broad discretion in determining the appropriate identity of the Claimant.

(c) If competing Claims are submitted with respect to a particular investment or other debt and the Receiver is unable to resolve the issue by agreement between the Claimants, the competing Claims shall be submitted to the Court for resolution under the Claim Dispute process identified in Section 4.

(d) *The Receiver will not be liable for making payment in good faith to a Claimant who may later be determined ineligible to receive payment.*

### **3.3 – Determination of Investor Claims.**

With respect to each Investor Claim, the Receiver will determine: (1) the principal amount(s) invested with Parish ("Actual Investment"); and, (2) the amount(s), if any, paid to or on behalf of the Investor Claimant by Parish (or any other party in complete or partial satisfaction of the amounts claimed) ("Amount Previously Received"). In making these determinations, the following guidelines shall be applied:

(a) For financial transactions (i.e., deposits, investments, payments, disbursements) that occurred *on or after* August 1, 2000, the Funds Tracing Database (and supporting records) will be utilized by the Receiver Team in the initial analysis of a Claim as follows:

(i) If the cumulative amount of a Claimant's Actual Investment as set forth in the Claim is within \$5,000 of the amount indicated the Funds Tracing Database, the

amount claimed by the Investor Claimant will be accepted by the Receiver without further analysis.

(ii) Similarly, if the cumulative Amount Previously Received, i.e. payments made to or on behalf of the Claimant by Parish, as set forth in the Claim is within \$5,000 of the amount indicated in the Funds Tracing Database, the amount claimed by the Investor Claimant will be accepted by the Receiver without further analysis.

(iii) If the cumulative amount of Actual Investment or Amount Previously Received exceeds the amounts indicated by the Funds Tracing Database, the Receiver shall use all available credible evidence in analyzing a Claim and determining the appropriate amounts relevant to the Claim. The Receiver shall have broad discretion to resolve any discrepancies in the evidence.

(b) For financial transactions (i.e., deposits, investments, payments, disbursements) that occurred *prior to* August 1, 2000, the Receiver will utilize all available credible evidence in analyzing a Claim and determining the appropriate amounts relevant to the Claim. The Receiver shall have broad discretion to resolve any discrepancies in the evidence.

(c) With regard to determining the Amount Previously Received by an Investor Claimant, the Receiver shall include: direct payments made by Parish to the Investor; gifts, loans or non-cash asset transfers; purchases made by Parish on behalf of the Investor; *and*, payments or transfers made by Parish to third-parties on behalf of the Investor.

(d) Purported earnings, interest, dividends, profits, commissions, or any other amounts allegedly earned by or owed to an Investor Claimant other than the principal amounts invested – i.e., “illusory profits” – will not be included in the Receiver’s determination of an Investor Claimant’s Actual Investment.

### **3.4 – Determination of Creditor Claims.**

Because the nature of Creditor Claims is different than Investor Claims, the amount of each Creditor Claimant’s “Actual Loss” will be determined based upon the nature of the debt owed by Parish (*e.g.*, secured vs. unsecured), the legal basis for the Claim, and any other facts and circumstances that the Receiver deems relevant to the analysis of the Claim.

(a) Creditor Claims must be supported by documentation of the claimed debt.

(b) The Receiver will determine the amount of each Creditor Claimant’s Actual Loss using information provided by the Creditor in its Claim, the Funds Tracing Database, Parish’s records and other credible information available to the Receiver Team. The Receiver shall have broad discretion to resolve any discrepancies regarding the amount each Creditor Claimant contends it is owed and the documentation accepted in this regard.

(c) Interest, fees and other penalties or charges will not be included in the Receiver’s determination of a Creditor Claimant’s Actual Loss.

### **3.5 – Allowed Claim Amounts.**

Ultimately, the Receiver, in conjunction with the Receiver Team, will make a determination regarding the Allowed Claim Amounts relevant to each Claim. The Receiver's determination is referred to as the "Allowed" amounts.

(a) With respect to each Investor Claim, the Receiver will determine the Allowed Actual Investment and the Allowed Amount Previously Received. *Payment calculations will be made based upon these amounts. However, as more fully explained below, a determination that these amounts are "Allowed" will not necessarily entitle the Investor to be entitled to payment from the Receiver Estate.*

(b) With respect to each Creditor Claim, the Receiver will determine the Allowed Actual Loss.

### **3.6 – Notice of Claim Determination.**

Upon completion of the review of all Claims, the Receiver will provide each Claimant with a written "Claim Determination Notice." For Investor Claimants, this Notice will indicate the identity of the Claimant, along with the Receiver's determination of the Allowed Actual Investment and the Allowed Amount Previously Received. For Creditor Claimants, this Notice will indicate the identity of the Claimant and the Receiver's determination of Allowed Actual Loss.

The Claim Determination Notice will be sent to each Claimant via U.S. Mail and shall be deemed delivered three business days after mailing. The Receiver shall have no obligation to locate Claimants. *It is the responsibility of each Claimant to provide the Receiver with written notice of any change of address.*

*If the Claimant agrees with the Receiver's determination of the Allowed Claim Amounts as indicated in the Claim Determination Notice, no further action is required by the Claimant.*

## **SECTION 4 – RESOLUTION OF CLAIM DISPUTE**

If a Claimant disagrees with the Receiver's determination of the proper Claimant or the Allowed Claim amounts, the provisions of this Section 4 shall govern resolution of the dispute.

### **4.1 – Claim Dispute Form.**

Along with the Claim Determination Notice, the Receiver will deliver a "Claim Dispute Form" to each Claimant, which shall be completed by any Claimant desiring to commence the process for resolving a disagreement with the Receiver's determination of the identity of the proper Claimant and/or the Allowed amounts. The Claim Dispute Form also will be available on the Receiver's website.

#### **4.2 – Submission of Claim Dispute Form.**

(a) Any Claimant who disagrees with the Receiver's determination as set forth in the Claim Determination Notice may commence the dispute resolution process by sending a Claim Dispute Form to the Receiver. The Claim Dispute Form, along with all required supporting documentation, at the address provided in Section 2.2(b), above. *The Claim Dispute Form should not be filed with the Court.*

(b) The Claim Dispute Form must be postmarked within 30 days of the date of Claim Determination Notice, regardless of when the Claim Determination Notice is actually received by the Claimant. Failure to timely submit a complete Claim Dispute Form to the Receiver shall terminate a Claimant's right to object to or otherwise contest the Receiver's determination as set forth in the Claim Determination Notice. Notwithstanding the foregoing, the Receiver may consider a delinquent Claim Dispute Form or a proffered claim dispute that is otherwise not in compliance with the requirements of the Claim Dispute Form and this Plan if there are circumstances that, in the sole discretion of the Receiver, justify consideration of such Claim Dispute.

**4.3 – Voluntary Resolution of Claim Dispute.** The Receiver may, in his sole discretion, make adjustments, settle, and compromise any Claim Dispute on terms and for reasons that he deems appropriate.

**4.4 – Resolution of Claim Dispute by Court.** Any Claim Dispute that cannot be resolved by agreement will be adjudicated by the Court in a summary proceeding conducted in accordance with this Section. In general:

(a) Claimants shall not have a right to a trial by jury; however, they shall be entitled to due process.

(b) The Federal Rules of Civil Procedure shall not apply.

(c) With respect to each unresolved Claim Dispute, the Receiver will commence the summary proceeding by filing with the Court a "Motion for Claim Resolution," which shall include the following: the Claim Determination Notice, the Claim Dispute Form, and declarations or other evidence that the Receiver deems relevant to the Court's determination of the Claim Dispute. The Receiver also shall file a supporting brief detailing the Receiver's position regarding the subject Claim Dispute. The Receiver's Motion for Claim Resolution and supporting brief shall be sent by U.S. Mail or overnight delivery to the Claimant at the time of its filing.

(d) Within ten (10) business days of service of the Receiver's Motion for Claim Resolution, the Claimant *may* file a responsive brief outlining the Claimant's positions regarding the Claim Dispute, as well as any declarations, documents or other evidence the Claimant deems relevant to the Court's determination of the Claim Dispute.

(e) The Court may rule without hearing on each Claim Dispute that does not involve material factual disputes.



(f) If a Claim Dispute involves material disputed facts, the Court shall conduct a hearing at which time evidence relevant to the Claim Dispute shall be considered. Where possible, such evidence shall be submitted by declaration or affidavit. The Receiver shall obtain a hearing date from the Court and provide notice of such hearing to the affected parties. A Claimant who has made a filing related to the Claim Dispute shall be required to attend the hearing. The Claimant shall have the burden of proof in establishing that the Receiver's Claim Determination is not accurate as to the proper identity of the Claimant or that the Claim Amounts should be adjusted.

(g) The Court's decision regarding each Claim Dispute shall be final.

#### **4.5 – Notice Regarding Claim Dispute and Related Proceedings.**

A Claimant who has submitted a Claim Dispute Form shall be entitled to notice only with respect to the adjudication of that particular Claim Dispute and shall not necessarily be entitled to notice of any other proceedings related to this action.

### **SECTION 5 – DISTRIBUTION**

#### **5.1 – Approval of Allowed Claims.**

Within 30 days after the final determination of all Claim Disputes in accordance with Section 4 above, the Receiver will file with the Court a "Schedule of Allowed Claims." Upon approval by the Court, the Schedule of Allowed Claims shall serve as the basis of the calculation of payments of all Investor Claims and Creditor Claims. *Payment calculations will be made based upon the amounts included in the Schedule. However, as more fully explained below, a determination that these amounts are "Allowed" will not necessarily entitle the Investor to payment from the Receiver Estate.*

#### **5.2 – Priority and Payment of Claims and Other Expenses.**

Claims will be prioritized and paid as follows:

(a) **Administrative Expenses.** In accordance with the terms of the Receivership Orders, the Receiver has paid and will continue to pay expenses associated with the administration of the Receiver Estate. These expenses include, but are not necessarily limited to, professional fees and expenses, which have been and will continue to be subject to Court approval. The Receiver will establish as a reasonable reserve (*i.e.*, withhold from the Distribution provided for herein) such amount as he believes necessary to pay professional fees and expenses to be incurred in preparing a final report to the Court and concluding the activities in this Receivership.

(b) **Tax Liabilities.** The Receiver is in the process of addressing the issue of any remaining tax liabilities directly with the Internal Revenue Service ("IRS"). The Receiver will pay any taxes due and owing out of the assets of the Receiver Estate. Out of an abundance of caution, the Receiver will reserve enough money from the initial distribution to pay any tax liabilities that are identified by the IRS.

(c) **Claims of Secured Creditors.** In accordance with the terms of the Receivership Orders, the Receiver has attempted to resolve the issues related to all secured creditors' claim.

As of the date of the entry of this Plan, the Receiver believes that all issues related to claims of secured creditors have been resolved.

(d) **Claims of Investors and Unsecured Creditors.** Claims of Investors and unsecured Creditors are general unsecured claims against the Receiver Estate and shall be paid with equal priority. The funds in the Receiver Estate are insufficient to pay these Claims in full. Hence, these Claimants will be paid based upon the amounts set forth in the Schedule of Allowed Claims. In other words, each Claimant will be paid an amount equal to the percentage of the total amount the Claimant invested as to the aggregate amount invested by all Claimants multiplied by the amount available for distribution, less any amounts previously paid to the Claimant.

#### **5.4 – Distribution.**

(a) As soon as reasonably practical after the Court's approval of the Schedule of Allowed Claims, the Receiver shall calculate the amount, if any, to be paid to each Claimant and make payment in accordance with this Plan.

(b) The amount to be paid to each Claimant will be calculated using the "rising tide" methodology, which is more fully explained in the Motion. In sum, the amount of payment shall be determined using the following formula:

(Investor Claimant's Actual Investment *divided by* Aggregate Amount Invested by all Claimants) *MULTIPLIED BY* (the Amount Available for Distribution) *MINUS* (Amounts Claimant Previously Received).<sup>1</sup>

These calculations are made repeatedly, applying the amounts available for distribution are applied on a claimant by claimant basis until the funds available for distribution are fully applied.

***NOTE: Not all Investor Claimants included in the Schedule of Allowed Claims will receive payment. If the Allowed Amount Previously Received by an Investor Claimant is equal to or greater than the percentage of Allowed Amount Invested being paid under this calculation, the Investor Claimant will receive no payment from the Receiver Estate.***

(c) If there are assets remaining in the Receiver Estate that have not been liquidated at the time of the initial Distribution, the Receiver will make a subsequent final distribution in accordance with the terms of this Plan upon the liquidation of those assets.

#### **5.5 – Method of Payment.**

Payment to Claimants shall be made from the Receiver Estate in the form of a check made payable to the Claimant listed on the Schedule of Allowed Claims approved by this Court.

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<sup>1</sup> Creditor Claimants will use an identical formula but the Creditor Claimant's Actual Loss Amount will be used instead of the Actual Investment Amount.

## **SECTION 6 – OTHER RELATED MATTERS**

**6.1 – Acceptance of Payment Effects Release.** Upon acceptance of any Distribution payment from the Receiver, any and all asserted and unasserted claims, demands, rights, and causes of action of any nature that a Claimant may have against the Receiver Estate, the Receiver or any member of the Receiver Team shall be deemed to be discharged, released, extinguished, and satisfied. Notwithstanding the foregoing, nothing in this Plan is intended to nor should be construed to release or limit any claims against or obligations of Parish or any other person or entity other than the Receiver and the members of the Receiver Team.

**6.2 – Limitation of Receiver's Liability for Payments.** Neither the Receiver nor any member of the Receiver Team shall have any liability to any person or entity for any action taken in good faith in connection with or relating to the administration of the Receiver Estate, including the implementation of this Plan. In the event that such a claim or cause of action is asserted against the Receiver or any member of the Receiver Team, the Receiver or Receiver Team member shall be entitled to a defense by counsel of his or her choice, payable as any other Administrative Expense herein, even if willful misconduct is alleged.

**6.3 – Checks Not Cashed.** Any check issued to a Claimant that is not cashed within 120 days of the date of the check shall be deemed void, and the Claim pursuant to which such check was issued automatically shall be deemed to have been satisfied. With respect to any such voided check, the intended recipient shall have no right or claim of any kind against the Receiver or the Receiver Estate, including any claim for the amount of the intended distribution or any future distribution.

**6.4 – Final Report.** As soon as reasonably practical after making the final Distribution in accordance with Section 5, above, the Receiver shall file a Final Report providing the following information:

- (a) The activities engaged in or to be undertaken in winding-up the Receiver Estate;
- (b) A financial statement for the Receiver Estate indicating the receipt and disbursement of money by the Receiver during the course of the Receivership; and,
- (c) The Receiver's proposal regarding the use of any monies or other assets remaining in the Receiver Estate.

The Receiver shall provide notice to all Investors of the filing of the Final Report.

**6.5 – Receivership Orders Remain In Force and Effect.** Neither the filing of this Plan nor its approval by the Court shall in any way be deemed to modify, amend, or otherwise limit the Receiver's ability and authority provided for in the Receivership Orders, including the continued use and administration of the assets of the Receiver Estate.

Having reviewed and considered the within and foregoing Plan in light of the facts and circumstances related to the subject receivership, along with any objections of Claimants or other

interested parties, IT IS HEREBY ORDERED that the within and foregoing Plan for Claims Administration and Distribution of Proceeds is hereby APPROVED.

IT IS SO ORDERED this \_\_\_\_ day of \_\_\_\_\_ 2009.

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David Norton, Judge  
United States District Court  
District of Carolina, Charleston Division