

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**

**FOURTH APPLICATION OF THE RECEIVER
FOR AUTHORITY TO PAY
PROFESSIONAL FEES AND REIMBURSE COSTS**

S. Gregory Hays, the court appointed Receiver in the above-styled suit, files this Fourth application for authority to pay professional fees for services rendered and to reimburse costs advanced on behalf of the Receiver. This application seeks approval and payment of the fees and reimbursement of expenses for the Receiver, Troutman Sanders LLP (“Troutman Sanders”), David Popowski (“Popowski”), and Hays Financial Consulting (“HFC”), for the time period from July 1, 2007 through July 31, 2007.

As detailed in the interim reports and previous fee applications, this is a complicated case involving an investment offering that raised in excess of \$112,500,000 from approximately 600-650 individual investors, which has required and continues to require significant effort by the Receiver and those working with him. The professionals working on this case are well aware of the time and expense being incurred and endeavor at all times to work in an efficient and productive manner and to be good stewards of the assets of the Receivership Estate.

During the period covered by this Application the Receiver and the professionals working with him dealt with the below matters:

- continued efforts to identify, recover, secure, catalog, and arrange for the sale of more than 4500 “hard asset” items, including automobiles, paintings, animated art, watches, jewelry, pens, guitars, and other objects d’art;
- prepared for the auction of hard assets including, but not limited to, the negotiation of contracts with the auctioneer and convention center, assemblage and presentation of items for auction, arranged for security of assets to be auctioned, the advertising and publicity of auction;
- arranged for preview of hard assets by the press and by investors;
- held a two day auction liquidating the vast majority of the over 4500 hard assets, which resulted in the recovery of over \$2 million;

- continued organization, review and supplementation of Parish’s incomplete real estate records;
- prepared for and explored the possible disposition of the real property in the Receivership Estate;
- continued data preservation and forensic analysis and recovery activities to make certain that all relevant data is located and preserved and any remaining Receivership assets are located and gathered;
- researched and formulated plan for disposition of numerous life insurance policies.

In sum, substantial time and labor have been expended by the Receiver, HFC, Troutman Sanders and Popowski.¹ The Receiver believes that these efforts, along with the associated expense, are necessary to the effective administration of the Receivership Estate and to the discharge of his responsibilities under the Receivership Order.

During the period covered by this Application, the Receiver has incurred the following fees and expenses in connection with these proceedings:

Receiver:

Fees (net after a 10% discount)	\$29,103.74
Expenses	+ <u>\$2,006.02</u>

¹ Because it is not necessary for the Court to analyze the “Johnson Factors” in ruling on the Receiver’s application for fees and expenses, the Receiver has not included an analysis of them in this shortened fee application. The in-depth analysis of the “Johnson Factors” set forth in the Receiver’s first three fee applications is, however, incorporated herein by reference.

Total	\$31,109.76
HFC:	
Fees (net after 10% Discount)	\$ 96,879.14
Expenses	+ <u>\$9,735.29</u>
Total	\$106,614.43
Troutman Sanders:	
Fees (net after 5% Discount)	\$78,106.72 ²
Expenses	+ <u>\$10,255.54</u>
Total	\$88,362.26
Popowski:	
Fees	\$2,996.00
Expenses	+ <u>\$0.00</u>
Total	\$2,996.00

While the time records in the monthly statements³ provide more detail, it should be noted that:

- The Troutman Sanders billing rates indicated in the statements are “net” of a 5% discount.
- With the discounted rate, the average hourly billing rate for Troutman Sanders was \$261.23.
- Travel time has not been billed (unless otherwise billable work was performed in transit).

² Time entries have been reduced by the amount of time professionals spent on matters related to Parish Enterprises LLC, d/b/a AJ Davis. These amounts will be paid from the proceeds of the liquidation of AJ Davis, as approved by Court Order dated July 10, 2007.

³ The Receiver and all professionals working with him in this case have maintained detailed time records and created monthly statements, redacted versions of which are attached hereto as Exhibits “A” through “D.”

- The Receiver and HFC have discounted their fees a total of 10% as a result of the labor intensive nature of collecting and securing assets.
- The Receiver, his lead counsel, Mr. Dantzler, along with other professionals, have devoted significant time to this case that was not recorded (or billed). For example, professionals often capped their recorded time at something significantly less than what they actually worked. Mr. Dantzler, in particular, never billed more than 8 hours for any given day even though he frequently worked longer than that.

WHEREFORE, S. Gregory Hays, Receiver, respectfully requests that the Court review and approve the fees for professional services rendered and costs advanced by the Receiver; Hays Financial Consulting, LLC; Troutman Sanders LLP and Popowski from July 1, 2007 through July 31, 2007, and authorize payment of such approved fees and expenses as requested herein. A proposed Order granting the relief requested is attached as Exhibit "E" hereto.

This 25th day of October, 2007.

By: /s/ David Popowski
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