

**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**

**FIFTH 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 Fifth Application for Authority to Pay Professional Fees and Reimburse Costs for the services rendered and the costs advanced on behalf of the Receiver for the time period from August 1, 2007 through August 31, 2007. 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”). In support of this Application, the Receiver shows this Court as follows:

1. This is a complicated case, which has required and continues to require significant effort by the Receiver, his attorneys, accountants and financial consultants. 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.

2. The administrative and investigative activities described in the Receiver’s interim reports and previously filed fee applications continue. During the period covered by this Application, the following activities that were particularly significant:

- Depositions and interviews of fact witnesses, including the accountant and attorney who rendered professional services to the Defendants; individuals involved in the sales of “hard assets” to the Defendants; individuals involved in business ventures in which Parish invested; and other individuals with knowledge of facts relevant to this investigation;
- Responded to motion filed M.S. Rau attempting to lift court-ordered stay in an attempt to liquidate property in the Receivership Estate and

began negotiations regarding settlement of all issues related to Parish's purchases of antiques and other collectibles from M.S. Rau;

- Developed plan for sale of life insurance policies and obtained court approval of same;
- Concluded matters related to July asset auction;
- Developed plans for sale of remaining "hard assets;"
- Continued negotiating settlement with Parish's wife, Yolanda Yoder;
- Reviewed and analyzed documents and other materials received from third-parties;
- Analyzed millions of dollars in credit card purchases;
- Investigation and research regarding possible claims against third-parties;
- Continued analysis of real estate and related debt issues and continued negotiations with lenders;
- 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; and,
- Conducted preliminary continued analysis of investor claims.

3. In sum, substantial time and labor have been expended by the Receiver, HFC, Troutman Sanders and Popowski.<sup>1</sup> 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.

4. 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." As indicated in those statements, 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 5% discount)	\$10,219.62
Expenses	+\$ 2.50
Total	\$10,222.12

**HFC:**

Fees (net after 5% Discount)	\$ 56,342.12
Expenses	+ \$5,479.32
Total	\$ 61,821.44 <sup>2</sup>

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<sup>1</sup> 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.

<sup>2</sup> The time billed by the professionals at Hays Financial Consulting does not include over \$1,800 in time spent traveling for work, and over \$11,900 in time spent in case management and researching various issues.

**Troutman Sanders:**

Fees (net after 5% Discount)	\$87,001.62 <sup>3</sup>
Expenses	<u>+\$ 1,303.97</u>
Total	\$88,305.59

**Popowski:**

Fees	\$1,036.00
Expenses	<u>+\$ 0.00</u>
Total	\$1,036.00

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

- a. The Troutman Sanders billing rates indicated in the statements are “net” of a 5% discount.
- b. With the discounted rate, the average hourly billing rate for Troutman Sanders was \$244.25.
- c. Travel time has not been billed (unless otherwise billable work was performed in transit).
- d. The Receiver and HFC have discounted their fees 5%.
- e. More than \$11,900 worth of time spent by the professionals at HFC was not billed.
- f. The Receiver, his lead counsel, Mr. Dantzler, along with other

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<sup>3</sup> 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.

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.

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 August 1, 2007 through August 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 12th day of December, 2007.

By: /s/ David Popowski  
David Popowski  
Law Office of David Popowski  
171 Church St., Ste. 110  
Charleston, SC 29401  
843-722-8301 (phone)  
843-722-8309 (fax)

J. DAVID DANTZLER, JR.  
*(admitted pro hac vice)*  
Ga. State Bar No. 205125  
Merle R. Arnold, III  
*(admitted pro hac vice)*  
Ga. State Bar No. 023503  
Benjamin D. Chastain

*(admitted pro hac vice)*  
Ga. State Bar No. 396695

Attorneys for S. Gregory Hays, Receiver

Troutman Sanders LLP  
Bank of America Plaza, Suite 5200  
600 Peachtree Street, N.E.  
Atlanta, GA 30308-2216  
(404) 885-3000  
(404) 962-6799 (facsimile)

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CERTIFICATE OF SERVICE

This is to certify that on December 12, 2007, the foregoing *Fifth Application Of Receiver For Authority To Pay Professional Fees And To Reimburse Costs* was filed with the Clerk of Court using the CM/ECF system which will automatically send email notification of such filing to all attorneys of record.

By: /s/ Merle R. Arnold III  
TROUTMAN SANDERS LLP  
Merle R. Arnold, III  
(admitted pro hac vice)  
Ga. State Bar No. 023503