

**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**

**FOURTEENTH 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 Fourteenth Application for Authority to Pay Professional Fees and Reimburse Costs for the services rendered and the costs advanced on behalf of the Receiver during the months of August, September, and October 2008. 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 were particularly significant:

- Negotiated sale of three parcels of real property netting the Receiver Estate approximately \$610,000, and drafted and filed motions for approval of the sales;
- Continued efforts to market and sell other remaining real property in the Receiver Estate;
- Continued tasks necessary to maintain real property, such as insurance premiums and regular maintenance;

- Continued pursuit of sale and consignment of remaining property in Receiver Estate, including select pieces of art and animation cells;
- Responded to the objections to the Receiver's Motion to Approve the \$925,000 Settlement with the accountants for Parish Economics, including researching and reviewing expert's objections and the drafting of response motions;
- Prepared for and participated in the depositions relating to objections to the Receiver's Motion to Approve the \$925,000 Settlement with the accountants for Parish Economics;
- Prepared and filed documents required by Fourth Circuit Court of Appeals as to the appeal of the Order approving the Receiver's settlement with Charleston Southern University ("CSU") potentially valued at over \$5,422,000;
- Prepared for and participated in the Fourth Circuit Court required mediation regarding the appeal of the Order approving the CSU settlement;
- Finalized settlement with Capetown Luxury Group/Diamond Corporation for \$190,000;
- Continued to pursue the sale of Disney timeshare contract;

- Negotiated settlement agreement with the holder of a promissory note payable to the Receiver Estate resulting in the turn-over of property valued at approximately \$300,000;
- Continued investigation, collection, and settlement efforts as to numerous loans made by Parish;
- Researched and pursued claims against various parties who received proceeds of the fraud;
- Continued research and investigation of potential claims against third-parties including efforts to effect recoveries;
- Prepared for and participated in the mediation of issues related to Battery Wealth Management, Inc.;
- Continued to field inquiries from investors and creditors;
- Prepared investor update letter;
- Researched issues related to and created plan for the administration of claims and distribution of proceeds;
- Continued to review and reconcile investor claims;
- Continued investigation, analysis, and negotiation of issues regarding the possibility of liquidating and recovering Parish's interests in various business ventures, including a settlement agreement with Get

Fit Now (Curves franchise), Rak II Partnership, and Alpine Pictures, Inc.;

- Continued efforts to subpoena and conduct forensic analysis of financial documents and other information received from third-parties in response to subpoenas;
- Responded to various subpoenas and requests for the production of documents served upon the Receiver;
- Reviewed, analyzed, and addressed various insurance coverage issues, including correspondence regarding same, and update report of status of insurance and payment of premiums;
- Fielded and researched inquiries from members of the media regarding various issues; and
- Analyzed issues related to state court complaint against the Receiver and others and negotiated the dismissal of the Receiver.

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

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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.

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."

**August 2008**

**Receiver:**

Fees (net after a 5% discount)	\$ 3,059.00
Expenses	+ \$ <u>0.00</u>
Total	\$ 3,059.00

**HFC:**

Fees (net after 5% Discount)	\$ 13,878.07
Expenses	+ \$ <u>157.17</u>
Total	\$ 14,035.24

**Troutman Sanders:**

Fees (net after 5% Discount)	\$ 54,199.96
Expenses	+ \$ <u>1,594.07</u>
Total	\$ 55,794.03

**Popowski:**

Fees	\$ 280.00
Expenses	+ \$ <u>0.00</u>
Total	\$ 280.00

**September 2008**

**Receiver:**

Fees (net after a 5% discount)	\$ 1,197.00
Expenses	+ \$ <u>0.00</u>
Total	\$ 1,197.00

**HFC:**

Fees (net after 5% Discount)	\$ 10,579.67
Expenses	<u>+\$ 129.80</u>
Total	\$ 10,709.47

**Troutman Sanders:**

Fees (net after 5% Discount)	\$ 31,775.03
Expenses	<u>+\$ 50.00</u>
Total	\$ 31,825.03

**Popowski:**

Fees	\$ 364.00
Expenses	<u>\$ 0.00</u>
Total	\$ 364.00

**October 2008**

**Receiver:**

Fees (net after a 5% discount)	\$ 631.75
Expenses	<u>+ \$ 0.00</u>
Total	\$ 631.75

**HFC:**

Fees (net after 5% Discount)	\$ 13,567.90
Expenses	<u>+\$ 250.61</u>
Total	\$ 13,818.51

**Troutman Sanders:**

Fees (net after 5% Discount)	\$ 55,668.42
Expenses	<u>+\$ 4,110.14</u>
Total	\$ 59,778.56

**Popowski:**

Fees	\$ 364.00
Expenses	<u>\$ 0.00</u>
Total	\$ 364.00

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. Travel time has not been billed (unless otherwise billable work was performed in transit).
- c. The Receiver and HFC have discounted their fees by 5%.
- d. 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.

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 during August, September, and October 2008, and authorize payment of such approved fees and expenses as requested herein. A proposed Order granting the relief requested is attached hereto.

This 4th day of December, 2008

By: /s/ David Popowski  
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CERTIFICATE OF SERVICE

This is to certify that on December 4, 2008, the foregoing *Fourteenth 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