

THE STATE OF SOUTH CAROLINA
IN THE Supreme COURT

APPEAL FROM AIKEN COUNTY
Court of Common Pleas

Doyet A Early, III, Circuit Court Judge
Case No 2008-CP-2-1647

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S C Supreme Court

Alan Wilson, in his capacity as Attorney General of the State of South Carolina, Daryl J Brown, on behalf of his minor children, Lindsey B and Janise B , Deanna J Brown Thomas, on behalf of her minor child, Jason L , Yamma N Brown, on behalf of her minor children, Sydney L , Carrington L , and Tonya B , Vanisha Brown, Larry Brown, Tommie Rae Hynie Brown, and James B , through his Guardian ad Litem, Respondents,

v

Albert H Dallas, Alfred A Bradley, and David G Cannon, Individually and as (purported) Trustees of the James Brown 2000 Irrevocable Trust, Adele J Pope and Robert L Buchanan, Jr , Personal Representatives of the Estate of James Brown and Trustees of the James Brown 2000 Irrevocable Trust, Terry Brown, Romunzo Brown, Forlando Brown, Cinnamon N M Paris, LaRhonda Petitt, Jeanette Mitchell, and Russell L Bauknight, as Special Administrator and Special Trustee for The Estate of James Brown and The James Brown 2000 Irrevocable Trust,

of whom Robert L Buchanan, Jr , and Adele J Pope, as Personal Representatives of the Estate of James Brown and Trustees of the James Brown 2000 Irrevocable Trust are, Appellants,

and Albert H Dallas, Alfred A Bradley, and David G Cannon, Individually and as (purported) Trustees of the James Brown 2000 Irrevocable Trust, Terry Brown, Romunzo Brown, Forlando Brown, Cinnamon N M Paris, LaRhonda Petitt, Jeanette Mitchell, and Russell L Bauknight, as Special Administrator and Special Trustee for The Estate of James Brown and The James Brown 2000 Irrevocable Trust are Respondents

In re The Estate of James Brown and The James Brown 2000 Irrevocable Trust u/a/d August 1, 2000

SUPPLEMENTAL RECORD ON APPEAL

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STATE OF SOUTH CAROLINA)
COUNTY OF AIKEN)

COURT OF COMMON PLEAS
08-CP-02-1647,
07-CP-02-122

IN RE ALL OF THE JAMES)
BROWN LITIGATED MATTERS)
SETTLING PARTIES ARE)
ATTEMPTING TO SETTLE)

TRANSCRIPT OF RECORD

MARCH 4 - 6, 2009
AIKEN, SOUTH CAROLINA

B E F O R E

THE HONORABLE DOYET A EARLY, III, JUDGE

A P P E A R A N C E S

LOUIS LEVENSON, ESQ
LORI CHRISTMAN ESQ
ATTORNEYS FOR THE THE HEIRS

ROBERT N ROSEN, ESQ
DAVID L MICHEL, ESQ
S ALAN MEDLIN ESQ
ATTORNEYS FOR THE TOMI RAE HYNIE BROWN

ADELE J POPE, ESQ
ROBERT L BUCHANAN, JR , ESQ (3/6/09)
SPECIAL ADMINISTRATORS

A PETER SHAHID, JR , ESQ
ATTORNEY FOR THE GUARDIAN AD LITEM

1 MR BUCHANAN

2 Q YOU ALSO ARE CONCERNED ABOUT THE SETTLEMENT BECAUSE I
3 BELIEVE YOU TESTIFIED ON JANUARY 30 THERE NEEDED TO BE A
4 PROPER TRANSITION FOR FIDUCIARIES?

5 A ON JANUARY 30 THAT WAS A CONCERN AFTER HAVING
6 STUDIED THE SETTLEMENT THAT REMAINS A CONCERN, BUT IT'S
7 WAY DOWN THE LINE WITH THE OTHER CONCERNS BECAUSE I
8 BELIEVE THE SETTLEMENT IS SO TERRIBLE THAT THE TRANSITION
9 IS JUST --

10 Q BUT IT'S A CONCERN?

11 A OF COURSE, YES, AMONG ABOUT 10 CONCERNS

12 Q DID YOU SEEK PROFESSIONAL ADVICE ABOUT A METHODOLOGY
13 OF TRANSITION?

14 A WELL, WE PRESENTED -- TO THE EXTENT THAT MR BUCHANAN
15 AND I ARE PROFESSIONALS WE PRESENTED ONE AND, YOU KNOW,
16 IT'S NOT ROCKET SCIENCE THAT THE FIRST THING YOU DO IS
17 IDENTIFY WHO YOU'RE TRANSITIONING TO AND THAT STILL HASN'T
18 BEEN DONE

19 Q NOW, THE QUESTION IS MORE ARTFULLY ASKED, MRS POPE,
20 DID YOU SEEK THE ADVICE OF A PROFESSIONAL FIDUCIARY IN
21 COMING UP WITH YOUR TRANSITION CONCERNS?

22 A NO, AND I'LL EXPLAIN, IF YOU'D LIKE

23 Q WELL, I REALLY WOULDN'T, BUT I THINK THE JUDGE IS
24 GOING TO LET YOU

25 THE COURT IF YOU WANT TO YOU DON T HAVE TO I

1 MEAN I'VE HEARD TRANSITION

2 THE WITNESS JUST THAT WE BELIEVE THAT WE HAVE THE
3 BEST UNDERSTANDING AFTER TWO YEARS OF DEEP AND INVOLVED
4 EXPERIENCE WITH THE ESTATE AND TRUST AND THE LITIGATION
5 WE'RE THE BEST ABLE TO UNDERSTAND WHAT WOULD BE NECESSARY
6 IN A TRANSITION I CAN'T THINK OF ANY PROFESSIONAL WHO
7 COULD HAVE HELPED US OR WHO COULD IF IT WERE MANDATED

8 Q BUT YOU YOURSELF HAVE BROUGHT AN EMERGENCY MOTION TO
9 SEEK TRANSITION OF PART OF YOUR DUTIES TO A SPECIAL
10 ADMINISTRATOR AND A SPECIAL TRUSTEE

11 A I'M SORRY?

12 Q YOU YOURSELF HAVE JUST RECENTLY BROUGHT -- YOU AND
13 BOB HAVE RECENTLY BROUGHT AN EMERGENCY MOTION TO
14 TRANSITION PART OF THE ADMINISTRATION OF THE ESTATE TO A
15 SPECIAL ADMINISTRATOR AND SPECIAL TRUSTEE?

16 A THAT'S CORRECT AND I'LL EXPLAIN IF YOU'D LIKE

17 Q NO, I JUST REALLY WOULD LIKE --

18 A TO TRANSITION THE MANAGEMENT SO THAT WE MAY
19 EFFECTIVELY DEFEND THE ESTATE AND THE ESTATE CAN BE
20 PROTECTED THE ESTATE AND TRUST CAN BE PROTECTED

21 Q WHO IS THE SPECIAL ADMINISTRATOR SPECIAL TRUSTEE?

22 A WE ASK THAT THE COURT APPOINT A COMPETENT,
23 INDEPENDENT, AVAILABLE SPECIAL TRUSTEE WE DID NOT
24 NOMINATE SOMEONE BECAUSE WE FELT THAT EVERYTHING WE DO IS
25 SO HIGHLY CRITICIZED THAT JUST SUGGESTING SOMEONE WOULD

1 POISON THE WELL

2 Q SO, THE PROBLEM WITH OUR TRANSITION PLAN -- THE
3 NUMBER ONE PROBLEM YOU JUST MENTIONED IS WE HAVEN'T
4 DISCLOSED A FIDUCIARY, BUT IT'S OKAY FOR YOU NOT TO WITH
5 YOUR PLAN?

6 A I WHOLLY DISAGREE WITH EVERYTHING YOU SAID

7 Q OKAY YOU'VE ALSO PLEADED IN DOCUMENTS THAT ANY
8 SPECIAL ADMINISTRATOR OR SPECIAL TRUSTEE SHOULD NOT HAVE
9 DESIRE OR GOAL OF BECOMING THE PERMANENT FIDUCIARY, IS
10 THAT CORRECT?

11 A AT TIMES I HAVE THOUGHT THAT WOULD BE CRITICAL

12 Q IN FACT, THAT WAS THE PROBLEM YOU HAD WITH
13 MR BAUKNIGHT'S APPOINTMENT AS SPECIAL ADMINISTRATOR AND
14 SPECIAL TRUSTEE?

15 A WELL, WHAT WAS DIFFERENT ABOUT THAT AND WHAT WE'RE
16 SEEKING -- WHAT'S DIFFERENT ABOUT THAT AND WHAT WE'RE
17 SEEKING NOW IS THAT MR BAUKNIGHT WAS ASKED TO EVALUATE A
18 SETTLEMENT

19 MR MEDLIN YOUR HONOR, I DIDN'T ASK HER TO COMPARE
20 THAT --

21 THE COURT SIR, YOU ASKED THE QUESTION

22 MR MEDLIN THAT'S NOT THE QUESTION I ASKED, YOUR
23 HONOR

24 THE WITNESS WELL, WE FELT THAT SOMEONE WHO WAS
25 ASKED TO EVALUATE THE SETTLEMENT WHO WAS IN A POSITION TO

1 TAKE OVER IF HE APPROVED THE SETTLEMENT WOULD AT A MINIMUM
2 BE TROUBLESOME

3 Q SO, IT'S NOT A GOOD IDEA TO HAVE A SPECIAL FIDUCIARY
4 WHO AS PART OF A RECOMMENDATION WOULD INCLUDE THE REMOVAL
5 OF THE CURRENT FIDUCIARIES IF THAT SPECIAL FIDUCIARY HAD
6 THE GOAL OR --

7 MS HAYES OBJECT TO THE FORM

8 THE COURT I DON'T UNDERSTAND THAT QUESTION

9 Q WELL, LET ME ASK THE QUESTION THIS WAY WEREN'T YOU
10 AND MR BUCHANAN SPECIAL ADMINISTRATORS AND SPECIAL
11 TRUSTEES?

12 A WE WERE

13 Q DIDN'T PART OF YOUR SERVICE RESULT IN THE TERMINATION
14 OF THE SERVICE OF THE PERMANENT TRUSTEES AND PERSONAL
15 REPRESENTATIVES?

16 A IT RESULTED IN THEIR RESIGNATIONS

17 Q AND DIDN'T THAT SERVICE ALSO RESULT IN THE IMMEDIATE
18 APPOINTMENT OF YOU AND MR BUCHANAN AS PERMANENT TRUSTEES
19 AND PERSONAL REPRESENTATIVES?

20 A UNFORTUNATELY YES

21 Q MRS POPE, YOU -- SPEAKING OF FORTUNATELY OR NOT
22 FORTUNATELY, YOUR HONOR, I AM GOING TO ASK YOUR
23 INDULGENCE I'D LIKE TO ASK A FEW MORE QUESTIONS ABOUT
24 THE FEE STRUCTURE THAT WE GOT INTO YESTERDAY, NOT TO GET
25 INTO THE SPECIFIC NUMBERS BUT TO GET INTO JUST A COUPLE OF

1 CONCEPTUAL ISSUES FOR TWO REASONS, YOUR HONOR FIRST,
2 AGAIN, SHE HAS RAISED THE ISSUE OF FEES AS PART OF ANY
3 SETTLEMENT AS BEING AN ESSENTIAL PART AND COMPONENT OF
4 THAT SECONDLY, SHE AND BOB ARE FIDUCIARIES AND THEIR FEE
5 STRUCTURE SHOULD BE TRANSPARENT, AND I'LL TRY MY BEST TO
6 AVOID, YOUR HONOR, ASKING SPECIFIC QUESTIONS ABOUT DOLLAR
7 AMOUNTS, BUT I DO HAVE A COUPLE OF MORE QUESTIONS ABOUT
8 THE CONCEPT THAT SHE RAISED YESTERDAY

9 THE COURT YOU CAN ASK ABOUT CONCEPT, BUT BEAR IN
10 MIND WHERE WE WENT YESTERDAY AND I AM NOT GOING TO MAKE
11 HER GIVE YOU AN EXACT FIGURE TODAY SHE'S GIVEN YOU
12 HOURS SHE'S GIVEN YOU A RATE SHE'S ASKED FOR
13 REASONABLE FEES, BUT I AM BEING PATIENT GO AHEAD

14 Q MRS POPE, YOUR PIE CHART YESTERDAY SHOWED A
15 5 PERCENT COMMISSION FOR PERSONAL REPRESENTATIVES?

16 A IT DID, BUT AS I EXPLAINED IT HAD BY IT A 2 PERCENT
17 FOR LEGAL FEES AND ADMINISTRATIVE EXPENSES AND WE THINK
18 THAT COULD FLOW -- YOU KNOW THERE IS NOTHING MAGIC
19 ABOUT -- BUT WE THINK IT'S REASONABLE IF THIS IS CARRIED
20 TO THE CONCLUSION FOR THERE TO BE A 7 PERCENT DEFENSE OF
21 MR BROWN'S ESTATE PLAN, P R COMMISSIONS AND LEGAL FEES
22 YEA, WE THINK THAT IS, AGAIN, REASONABLE

23 Q DOES THAT INCLUDE ANY TRUSTEE'S FEE?

24 A I'M SORRY?

25 Q DOES THAT FIGURE INCLUDE ANY TRUSTEE S FEE?

1 A OH, IT WOULD INCLUDE EVERYTHING YES THE PIE CHART
2 RELATES TO THE WILL AND THE TRUST

3 Q OKAY SO, THAT'S THE TOTAL THAT YOU ESTIMATE?

4 A SITTING HERE TODAY THAT -- 7 PERCENT OF THE VALUE OF
5 THE TWO ENTITIES AND WE THINK OF THAT SORT OF OVER A THREE
6 TO FIVE YEAR PERIOD BECAUSE WE'VE BEEN HERE TWO YEARS
7 ALREADY AND WHEN I TOOK THE JOB AT FIRST I AS ONLY SPECIAL
8 ADMINISTRATOR I SAID TO MYSELF IT LOOKS LIKE A LITTLE BIT
9 OF WORK FOR TWO TO FIVE YEARS AND NOW IT'S TWO AND IT'S A
10 LOT OF WORK SO

11 Q HAVE YOU BEEN KEEPING RECORDS THAT SEGREGATE THE TIME
12 SPENT AS PERSONAL REPRESENTATIVE AND THE TIME SPENT AS
13 TRUSTEE?

14 A NO NEITHER WE NOR THE \$940,000 OF LEGAL FEES FOR
15 THE YEAR THAT MR DALLAS AND BRADLEY SERVED ATTEMPTED TO
16 DO THAT, AND, SO, THAT WOULD BE -- THEY'RE SO INTEGRATED
17 THE ESTATE PLAN IS SO INTEGRATED THAT THAT WOULD BE
18 VIRTUALLY IMPOSSIBLE, AND IF YOU'D LIKE ME TO JUST TELL
19 YOU HOW A TYPICAL DAY IS I'LL BE GLAD TO, BUT IT WOULD BE
20 VIRTUALLY IMPOSSIBLE TO DO

21 Q NOT REALLY APPARENTLY, THEY'RE VERY BUSY?

22 A THEY ARE

23 Q THE ALLOCATION COULD BECOME PROBLEMATIC, THOUGH, IF
24 THE ESTATE PLAN IS UPHELD AND ALL OF THE ASSETS ARE
25 DETERMINED TO BE IN THE TRUST?

1 A COLLECTING MY REASONABLE FEE IS THE LEAST OF MY
2 WORRIES DEFENDING THE ESTATE PLAN OF JAMES BROWN IS VERY
3 IMPORTANT TO ME

4 Q AND IF A PERSONAL REPRESENTATIVE RESIGNED BEFORE
5 COMPLETION OF HER DUTIES, WOULD SHE BE ENTITLED TO THE
6 FULL 5 PERCENT COMMISSION THAT THE STATUTE ALLOWS?

7 A I THINK IT WOULD DEPEND ON WHO SHE WAS AND WHAT SHE
8 WAS RESIGNING FROM

9 Q WELL, LET'S PROPOSE THE POSSIBILITY THAT YOU AND
10 MR BUCHANAN RESIGNED TODAY WOULD YOU BE ENTITLED TO A
11 FULL 5 PERCENT COMMISSION UNDER THE STATUTE?

12 A I HAVE NEVER THOUGHT OF OUR COMMISSION ANY WAY OTHER
13 THAN THE WAY MR BROWN SAID IT IN HIS DOCUMENTS THAT WE
14 WOULD BE ENTITLED TO REASONABLE COMPENSATION SO, I'VE
15 NEVER THOUGHT OF THE FULL 5 PERCENT THAT WAS NOT WITHIN
16 MY THINKING

17 Q I'M SORRY I WAS JUST GOING BY THE PIE CHART AND YOU
18 DO --

19 A WELL, AS I TOLD YOU I WAS TRYING TO GIVE -- TO CREATE
20 AN EASY UNDERSTANDING OF HOW DEVASTATING THIS PROPOSAL IS
21 TO MR BROWN'S ESTATE PLAN

22 Q LET ME JUST -- EVEN THOUGH YOU MAY NOT HAVE THOUGHT
23 ABOUT IT BEFORE, LET ME ASK THE QUESTION AGAIN IF YOU
24 AND MR BUCHANAN RESIGNED TODAY DO YOU THINK THAT YOU
25 WOULD BE ENTITLED TO THE FULL STATUTORY PERSONAL

1 REPRESENTATIVE'S FEE?

2 A I HAVE NEVER TIED ANYTHING I DID TO A FULL ANYTHING
3 WE HAVE ALWAYS TIED WHAT WE DO TO REASONABLE SO, THAT'S
4 THE ANSWER

5 Q DO YOU THINK IT WOULD BE REASONABLE TO RECEIVE A
6 5 PERCENT COMMISSION?

7 A I HAVEN'T WORKED IT ALL THE WAY THROUGH

8 Q WELL, LET'S TALK ABOUT THAT THEN JUST A LITTLE BIT
9 IF I UNDERSTAND YOUR READING OF THE JANUARY OF 2008 ORDER
10 YOU'RE ALLOWED TO BILL AS A DEPOSIT AGAINST YOUR ULTIMATE
11 COMMISSION, IS THAT CORRECT?

12 A ARE YOU TALKING ABOUT THE JANUARY -- JUDGE EARLY'S
13 FIRST ORDER?

14 Q YES

15 A YES, BUT WE HAVEN'T, AS YOU SEE WE'RE NOT EVEN --
16 WE'RE LIKE NOWHERE CLOSE IT'S NOT EVEN ANY CHANCE THAT
17 THAT IS GOING TO HAPPEN FOR LIKE YEARS AND YEARS

18 Q BUT THE CONCEPT IS -- IS A DEPOSIT AGAINST AN
19 ULTIMATE COMMISSION?

20 A THAT'S TRUE

21 Q WHICH ASSUMES THAT THE DEPOSITION WOULD BE LESS THAN
22 THE COMMISSION, CORRECT?

23 A I THINK SO, BUT, AGAIN, I DON'T THINK -- YOU KNOW, I
24 JUST HAVEN'T FINISHED THINKING THAT THROUGH

25 Q WELL, LET'S --

1 A IF I COULD PLEASE BE GIVEN TIME TO THINK THOSE ISSUES
2 THROUGH, YOU KNOW, I --

3 THE COURT SHE'S TESTIFIED ABOUT REASONABLENESS,
4 ABOUT THE 5 PERCENT, ABOUT THE 2 PERCENT LET'S MOVE
5 ALONG I REALLY AND TRULY --

6 MR MEDLIN YOUR HONOR, JUST ONE MORE QUESTION,
7 PLEASE

8 THE COURT ONE MORE

9 Q IF --

10 THE COURT DEPENDING ON WHAT IT IS

11 MR MEDLIN IT IS GOING TO BE ABOUT THE FEES, BUT IT
12 IS A CONCEPTUAL QUESTION

13 THE COURT WELL, ASK IT

14 MR MEDLIN JUST ONE

15 IF THE STATUTORY COMMISSION WERE LESS THAN THE
16 DEPOSIT, WHAT WOULD HAPPEN IN THAT CASE?

17 THE WITNESS I DON'T KNOW

18 Q THANK YOU MRS POPE, ISN'T WHAT YOU'RE REALLY DOING
19 IN YOUR ZEAL TO PROTECT MR BROWN'S ESTATE PLAN AND THE
20 CHARITIES PROFESSING A WILLINGNESS TO FIGHT TO THE BITTER
21 END THROUGH THE COURT OF -- SUPREME COURT -- DESPITE THE
22 ATTORNEY GENERAL'S ENTRY INTO THE SETTLEMENT AND HIS
23 DESIRE THAT THIS CASE BE OVER?

24 A ABSOLUTELY NOT THAT IS FALSE, TOTALLY FALSE

25 Q WELL, YOU DID SAY THAT YOU WERE GOING TO APPEAL

1 YESTERDAY IF THE SETTLEMENT IS APPROVED?

2 A I SAID THAT IF WE REACH A SETTLEMENT WITH THE MINORS
3 WHO ARE BENEFICIARIES OF THE JAMES BROWN --

4 MR MEDLIN YOUR HONOR, THAT'S NOT RESPONSIVE
5 THE COURT SHE CAN ANSWER THE QUESTION YOU ASKED
6 IT

7 MR MEDLIN THAT'S NOT THE QUESTION I ASKED, YOUR
8 HONOR

9 THE COURT WELL, YOU ASKED HER ABOUT APPEAL

10 MR MEDLIN ABOUT THIS SETTLEMENT

11 THE WITNESS YES AND I'LL TELL YOU -- I WANT TO
12 SPEAK TO THE ISSUE OF WHY THIS SETTLEMENT IF APPROVED
13 SITTING HERE TODAY MUST BE APPEALED THE MINOR
14 BENEFICIARIES OF THE JAMES BROWN EDUCATION TRUST ARE NOT
15 EVEN PARTIES --

16 MR MEDLIN YOUR HONOR, WITH ALL DUE RESPECT --
17 THE WITNESS -- TO THE AGREEMENT NO THIS IS
18 IMPORTANT

19 THE COURT I'LL DETERMINE WHAT'S BEEN HEARD

20 THE WITNESS THERE ARE CHILDREN WHO ARE LISTED AS
21 MINORS WHO ARE NO LONGER MINORS, WHO ARE NOT PARTIES TO
22 THE SETTLEMENT THERE IS NO SIGNED AGREEMENT THERE ARE
23 NOT PROPER PARTIES BEFORE THIS COURT HEARING THIS -- THIS
24 STATEMENT TODAY THERE IS NO AGREEMENT FOR ANYONE TO LOOK
25 AT

1 IN OUR OPINION THE ATTORNEY GENERAL HAS AUTHORITY TO
2 ENFORCE A CHARITABLE TRUST BUT DOES NOT HAVE AUTHORITY TO
3 GIVE AWAY EITHER A CHARITABLE TRUST OR AN ESTATE OR A
4 NON-CHARITABLE TRUST WITHOUT -- WITHOUT THE CONSENT OF THE
5 P R TRUSTEES AND IF THE ATTORNEY GENERAL HAS THAT
6 AUTHORITY WE SHOULD HAVE A LEGAL RULING AHEAD BECAUSE IT
7 -- THAT VERY IMPORTANT RULING BY A COURT WHICH WE HAVE, BY
8 THE WAY, ASKED THIS COURT TO RULE ON COULD SAVE EVERYBODY
9 TIME AND MONEY AND THE PROPERTY WHILE THAT VERY CRITICAL
10 QUESTION IS BEING ANSWERED, COULD BE PRESERVED BY A
11 SPECIAL ADMINISTRATOR AND SPECIAL TRUSTEE

12 I BELIEVE IN SETTLEMENTS AS YOU WILL NOTICE OUR
13 BULLETPPOINTS SPECIFICALLY SAY WE NEED TO GET THE PROPER
14 PARTIES TOGETHER, WE NEED TO HAVE A MEDIATOR WE NEED THAT
15 MEDIATOR TO CONDUCT ONLY SUCH DISCOVERY AS IS NECESSARY OR
16 APPROPRIATE TO EFFECTING A SETTLEMENT, AND THAT COULD ALL
17 BE DONE VERY EFFICIENTLY OVER THE NEXT 90 TO 120 DAYS IF
18 WE WOULD BE RELIEVED OF THE DUTY AND THE ATTACKS
19 ASSOCIATED WITH MANAGING THIS WONDERFUL BUT TROUBLED GROUP
20 OF ASSETS, AND IN THE MEANTIME WE SHOULD GIVE A RIGHT OF
21 FIRST OFFER TO MR GRAHAM WINDSOR GROUP SO WE COULD FIGURE
22 OUT WHAT THE ESTATE IS WORTH -- TRUST -- ESTATE AND TRUST
23 ARE WORTH

24 Q MRS POPE, AGAIN, LET ME TRY TO ASK THE QUESTION MORE
25 ARTFULLY YOU DISAGREE WITH THE ATTORNEY GENERAL ABOUT

1 MR LEVENSON)

2 Q -- OR NOT BELIEVE THAT JAMES ██████████ IS THE
3 BIOLOGICAL SON OF THE DECEDENT?

4 A I BELIEVE THAT HE HAS NOT TAKEN THE APPROPRIATE STEPS
5 TO PROVE THAT HE IS AND UNDER THE LAW HE'S PRESUMED NOT
6 TO BE

7 MR SHAHID YOUR HONOR, I WOULD ASK THAT THAT ANSWER
8 BE STRICKEN

9 MY QUESTION TO YOU IS DO YOU BELIEVE --
10 THE COURT WELL, YOU MIGHT NOT LIKE HER ANSWER, BUT
11 I AM NOT GOING TO STRIKE IT GO AHEAD ASK IT AGAIN

12 Q DO YOU BELIEVE WHETHER OR NOT JAMES ██████████, IS A
13 BIOLOGICAL SON OF THE DECEDENT?

14 A I DO NOT YET KNOW BECAUSE HE HAS NOT MET HIS
15 STATUTORY BURDEN TO PROVE THAT HE IS

16 Q DO YOU RECALL RECEIVING A LETTER -- LET ME BACK UP
17 MR BAILEY WAS YOUR LAWYER BACK IN MAY OF 2008?

18 A HE REPRESENTED US AS PERSONAL REPRESENTATIVES AND
19 TRUSTEES

20 Q DID YOU SEE A LETTER THAT I SENT TO HIM BACK ON MAY 6
21 OF 2008?

22 A I DON'T KNOW I MIGHT HAVE

23 Q LET ME SHOW YOU A COPY

24 A OH, I HAVE SEEN YOUR LETTER WITH THE PATERNITY SCREEN
25 TEST

1 Q AND IN THAT LETTER IT CONTAINED THE PATERNITY TEST
2 SHOWING THAT --
3 THE COURT HOLD ON A SECOND
4 MR BAILEY, ANY OBJECTION?
5 MR BAILEY YES
6 THE COURT WHAT ARE THEY?
7 MR BAILEY THAT THE TEST RESULTS ARE QUALIFIED AND,
8 NUMBER ONE, IT CASTS DOUBT ON THE RESULTS OF THE TEST
9 THE COURT WELL, THAT GOES TO --
10 MR BAILEY NUMBER TWO --
11 THE COURT GO AHEAD
12 MR BAILEY -- THAT IT'S MY UNDERSTANDING THAT THERE
13 WAS A PROCESS SET UP FOR JAMES ██████████, TO HAVE HIS
14 D N A MATCHED WITH JAMES BROWN'S D N A AND THAT HAS YET
15 TO BE DONE THAT PROCEDURE IS ALREADY PAID FOR BY THE
16 ESTATE IT HAS -- HE HAS NOT SUBMITTED TO THAT TEST AS
17 FAR AS I KNOW
18 THE COURT ANY OTHER OBJECTION?
19 MR BYRD YOUR HONOR --
20 THE COURT HOLD ON
21 MR BYRD I BEG YOUR PARDON
22 MR BAILEY IT'S NOT CERTIFIED AND I JUST -- THAT'S
23 IT
24 THE COURT NOT CERTIFIED?
25 MR BAILEY NOT A CERTIFIED COPY IT'S NOT BEEN

STATE OF SOUTH CAROLINA)
) COURT OF COMMON PLEAS
COUNTY OF AIKEN) 08-CP-02-1647

HENRY MCMASTER,)
)
 PLAINTIFF,)
)
 V) TRANSCRIPT OF RECORD
)
RUSSELL BAUKNIGHT, ET AL ,)
)
 DEFENDANTS)
_____)

APRIL 6, 2009
AIKEN, SOUTH CAROLINA

BEFORE

THE HONORABLE DOYET A EARLY, III, JUDGE

APPEARANCES

LOUIS LEVENSON, ESQ
ATTORNEY FOR THE THE HEIRS

ROBERT N ROSEN, ESQ
DAVID L MICHEL, ESQ
T HEYWARD CARTER, ESQ
S ALAN MEDLIN, ESQ
ATTORNEYS FOR TOMI RAE HYNIE BROWN

ADELE J POPE, ESQ
ROBERT L BUCHANAN, JR , ESQ
SPECIAL ADMINISTRATORS/PERSONAL REPRESENTATIVES

25 IN CERTAIN TRUSTS "

(STATEMENT BY MR BAILEY)

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1 NOW, ON NOVEMBER 20, 2007 YOU APPOINTED MR BUCHANAN
2 AND MRS POPE TO THE EXTREMELY DIFFICULT TASK OF BECOMING
3 PERSONAL REPRESENTATIVES AND TRUSTEES OF THE ESTATE OF
4 JAMES BROWN ALL, AS FAR AS I CAN RECALL, WHO OPPOSED IT
5 WAS THE ATTORNEY GENERAL THE REST OF THE PARTIES
6 UNDERSTOOD MRS POPE'S CERTIFICATION AS A SPECIALIST,
7 RECOGNIZED HER ABILITY, RECOGNIZED HER DETERMINATION
8 MR BUCHANAN IS AN EXCELLENT LITIGATOR I KNOW I'VE
9 DEALT WITH HIM MANY TIMES
10 WHEN MR MEDLIN POINTS AT MR BUCHANAN AND MRS POPE
11 AND CHASTISES THEM AS FIDUCIARIES, THAT IS A TREMENDOUS
12 DOWNGRADING AND DENIGRATION OF WHAT THEY HAVE TRIED TO DO
13 FOR THIS ESTATE THERE IS A MOUNTAIN OF MATTERS THAT BOTH
14 DEAL WITH ON A DAILY BASIS THAT THE SETTling PARTIES OR
15 OTHERS HAVE NO REAL CONNECTION TO THEY DON'T KNOW WHAT'S
16 GOING ON THEY ARE FOCUSED ON ONE THING -- REDISTRIBUTION
17 THE WEALTH THAT JAMES BROWN INTENDED TO GO TO
18 UNDERPRIVILEGED CHILDREN
19 IT STARTED -- WELL, LET ME BACK UP WHERE DID ALL OF
20 THIS CONTROVERSY COME FROM? WAS IT THE PR TRUSTEES
21 BUCHANAN AND POPE WHO CREATED IT? NO IT WAS CREATED BY
22 THE VERY PEOPLE WHO ARE HERE CRITICIZING MRS POPE --
23 MR BUCHANAN AND MRS POPE WHAT WE'RE LOOKING AT IS
24 CONTROVERSIES COMMENCED BY TOMI RAE BROWN, SEVERAL OF THE

25 CHILDREN, NOT CONTROVERSIES STARTED BY MRS POPE AND

(STATEMENT BY MR BAILEY)

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1 MR BUCHANAN

2 THE COURT DOES IT MAKE ANY DIFFERENCE, MR BAILEY,
3 UNDER 62-3-1102(3) WHO CREATES THE CONTROVERSY AS LONG AS
4 I FIND THERE IS A CONTROVERSY IN GOOD FAITH?

5 MR BAILEY WELL, IT IS JUST THAT WHAT I'M LOOKING
6 AT, YOUR HONOR, IS IF YOU ASSUME THERE IS A
7 100 MILLION-DOLLAR ESTATE AND YOU LOOK AT THE SECTION YOU
8 REFERRED TO AND YOU SAY, WELL, YOU KNOW, THE PR TRUSTEES,
9 THEY MAY HAVE A FINANCIAL INTEREST IN PROLONGING THE
10 LITIGATION WHAT COULD BE FURTHER FROM THE TRUTH THAN
11 WHAT THEY'RE TRYING TO DO IS PROTECT UP TO THAT
12 \$50 MILLION THE COST OF THE LITIGATION PALES IN
13 SIGNIFICANCE TO THE COST THAT IT WILL LEAVE TO THE TRUST

14 THE COURT WELL, MR BAILEY, I DON'T KNOW WHAT MY
15 ULTIMATE DECISION IS GOING TO BE, BUT I CAN ASSURE YOU
16 THAT IT WILL NOT BE BASED ON THE FACT THAT MR BUCHANAN
17 AND MRS POPE ARE TRYING TO MAKE THIS LITIGATION CONTINUE
18 ON SO THEIR FEES AND COSTS CAN BE INCREASED THAT'S THE
19 FURTHEST THING FROM MY MIND

20 MR BAILEY AND I DO UNDERSTAND, YOUR HONOR, BUT
21 THAT, APPARENTLY, IS NOT THE FURTHEST THING FROM THE
22 ADVERSARIES

23 THE COURT WELL, I THINK YOU HAVE TO CONVINC ME,
24 NOT THEM

25 MR BAILEY THIS AGREEMENT THAT WAS WHAT I WOULD

(STATEMENT BY MR BAILEY)

176

1 HAVE TO SAY SECRETLY AGREED UPON BY THE SETTLING
2 PARTIES -- BECAUSE I WOULD LIKE TO MAKE SURE THAT THE
3 COURT UNDERSTANDS WE WERE NOT INVITED TO THE MEDIATION
4 NO ONE GAVE US NOTICE OF THE MEDIATION WE WERE SIMPLY
5 LEFT OUT SO, WHEN THIS DOCUMENT WAS PRESENTED AND I READ
6 THE FIRST VERSION OF IT VERY CAREFULLY WHAT I FOUND TO BE
7 JUST ABSOLUTELY AMAZING WAS IT IS BINDING ON THE PARTIES
8 NO MATTER WHAT THE COURT DOES AND IT PROVIDED ABSOLUTELY
9 NO LANGUAGE IN IT THAT WOULD ALLOW FOR IT TO BE MODIFIED
10 THERE IS NOTHING IN THE AUGUST 10, 2008 AGREEMENT THAT
11 AUTHORIZED THE PARTIES TO AMEND IT
12 HOWEVER, THE ADDENDUM WAS ADDED THE ADDENDUM IS --
13 THE ORIGINAL AGREEMENT WAS THREE AND A HALF PAGES THE
14 ADDENDUM IS OVER SEVEN PAGES THE ADDENDUM DOES THE VERY
15 SAME THING THIS IS SUPPOSED TO BE A SETTLEMENT IT IS
16 OVER YOU DON'T GO BACK AND READJUST THE TERMS OF THE
17 SETTLEMENT AGREEMENT THIS SETTLEMENT AGREEMENT LEAVES
18 OPEN THE OPPORTUNITY AT ANY LATER TIME FOR IT TO BE
19 AMENDED
20 SINCE AUGUST 10 OF 2008 THERE WAS NO INDIVIDUAL FROM
21 THE SETTLING PARTIES, FROM MR BELL, WHO APPARENTLY MADE
22 ANY EFFORT TO DEAL WITH US AS FAR AS CAN WE GET A PRIVATE
23 LETTER FROM THE IRS? WOULD YOU AGREE TO ALLOW US TO DO
24 THAT? NO THAT NEVER HAPPENED IN FACT, THEY PASSED UP

25 TO YOU SIX -- AND I HAVE THE UTMOST RESPECT FOR EACH OF

(STATEMENT BY MR BAILEY)

177

1 THESE ATTORNEYS WHOSE CURRICULUM VITAE HAS BEEN HANDED UP,
2 BUT I DON'T THINK THE COURT HAS BEFORE IT A SIGNED
3 DOCUMENT OR TESTIMONY FROM AN EXPERT WITNESS WHO SAYS THAT
4 EVERYTHING THAT PROFESSOR MEDLIN TOLD YOU IS GOING TO
5 HAPPEN

6 EVERYTHING THAT HE HAS TOLD YOU IS ALL CONJECTURE
7 IT'S NOT BEEN DECIDED ALL OF THE TERMS OF WHETHER OR NOT
8 THERE IS GOING TO BE A DISQUALIFICATION, WHETHER -- OF THE
9 CHARITABLE TRUST -- WHETHER OR NOT THEY'RE GOING TO LOSE
10 THE CHARITABLE DEDUCTION ALL OF THESE THINGS ARE
11 ARGUMENTS THERE ARE NO FACTS TO SUPPORT IT

12 WE PUT UP AN EXPERT WHO LOOKED AT THE DOCUMENTS AND
13 GAVE THE COURT HIS OPINION THEY ARE GOING TO CREATE TAX
14 PROBLEMS AND PROBLEMS FOR THE CHARITABLE TRUST THE ONLY
15 WITNESSES THEY CALLED ARE MR BUCHANAN AND MRS POPE I
16 BELIEVE MR BAUKNIGHT WAS PRESENTED AS THE PROPOSED
17 SPECIAL ADMINISTRATOR, SPECIAL TRUSTEE I WAS NOT PRESENT
18 FOR THE JANUARY 30 HEARING, BUT I THINK THOSE WERE THE
19 ONLY PEOPLE WHO ULTIMATELY TESTIFIED WAS MR BAUKNIGHT,
20 MRS POPE, MR BUCHANAN THOSE ARE THE ONLY PARTIES THAT
21 WERE -- I MEAN THE ONLY WITNESSES THAT WERE CALLED BY THE
22 SETTLING PARTIES THEY OFFERED NO LIVE TESTIMONY OF
23 ANYONE TO SUBSTANTIATE WHAT THOSE PROPOSED CONJECTURAL
24 HOPEFUL RESULTS ARE GOING TO BE

25 WE HAVE A VERY STRONG POSITION AGAINST THE IDEA THAT

(STATEMENT BY MR BAILEY)

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1 WE HAVE NO STANDING TO BE CONSULTED WITH RESPECT TO THIS
2 SETTLEMENT AGREEMENT 62-3-912 DEALS WITH COMPETENT
3 SUCCESSORS OF JAMES BROWN, EITHER HIS WILL OR IF HE WERE
4 TO DIE INTESTATE WELL, FIRST WE HAVE THE 2000 WILL WHICH
5 UNTIL I BELIEVE DECEMBER 20 OF 2007 NO ONE FELT WAS
6 CONTESTABLE OR THAT WARRANTED BEING CONTESTED AND WHAT I
7 FIND INTERESTING IS THE COMPETENT SUCCESSORS UNDER THAT
8 WILL ARE THE PEOPLE THAT ARE NAMED IN THE WILL, AND WHAT
9 THEY'RE ENTITLED TO DIVIDE UP AMONGST THEMSELVES UNDER THE
10 WILL IS WHATEVER THEY GET UNDER THE WILL

11 SO, WE'VE MADE A QUANTUM LEAP FROM THE WILL SAYS THEY
12 GET THE PERSONAL HOUSEHOLD EFFECTS PERIOD THEN YOU
13 MOVE TO, OH, WELL, IF IT'S INTESTACY, WHO ARE THE HEIRS
14 BECAUSE THE HEIRS ARE THE ONLY ONES WHO BECOME COMPETENT
15 SUCCESSORS SO, YOU'VE GOT THE PEOPLE NAMED IN THE WILL
16 YOU'VE GOT THE PEOPLE THAT WOULD BE INTESTATE HEIRS, BUT
17 YOU'VE HAD TO JUMP NOW FROM ONE WILL, A SECOND WILL, AND
18 ALL ARGUABLY NOW THEY'RE SAYING ARE SUBJECT TO UNDUE
19 INFLUENCE TO INTESTACY

20 WELL, UNDUE INFLUENCE -- I'D LIKE TO COURT TO
21 CONSIDER THE WILL THAT WAS DONE ON AUGUST -- IN AUGUST OF
22 2000 IF IT WAS THE SUBJECT OF UNDUE INFLUENCE -- AND I
23 THINK THE ELEMENTS OF UNDUE INFLUENCE HAVE TO BE VERY
24 CAREFULLY EXAMINED BY THE COURT WHAT ARE THEY? THERE

25 THE COURT WHICH CASE ARE YOU -- THAT'S THE

(STATEMENT BY MR BAILEY)

181

1 UNIVERSITY OF CALIFORNIA?

2 MR BAILEY PARDON ME, SIR?

3 THE COURT WHICH CASE IS THAT?

4 MR BAILEY THIS IS THE UNIVERSITY OF SOUTH CAROLINA

5 VERSUS ROBERT J --

6 THE COURT IT'S NOT SOUTH CAROLINA

7 MR BAILEY OH, I'M SORRY UNIVERSITY OF SOUTHERN

8 CALIFORNIA I'M SORRY BUT IT SAYS THE UNIVERSITY --

9 UNDER THE UNIVERSITY'S INTERPRETATION OF SECTION 62-3-1102

10 OF THE MANY TRUST BENEFICIARIES COULD EXERCISE VETO POWER

11 OVER AN ATTEMPTED COMPROMISE UNDER SECTION 62-3-1102 BY

12 FAILING TO CONSENT AS A SIGNATORY OF ITS SETTLEMENT

13 TRUST BENEFICIARIES WOULD ENCOURAGE LITIGATION RATHER THAN

14 SETTLE IT THE BETTER APPROACH IS TO VEST THE TRUSTEE WHO

15 HAS A FIDUCIARY OBLIGATION TO ADMINISTER THE TRUST IN THE

16 BEST INTEREST OF THE TRUST BENEFICIARIES WITH THE POWER TO

17 ENTER INTO COMPROMISE ON BEHALF OF THE TRUST

18 NOW, WE HAVE TAKEN THE POSITION THAT THE ATTORNEY

19 GENERAL IS CERTAINLY ENTITLED TO ENFORCE AND PROTECT THE

20 CHARITABLE TRUST, BUT I HAVE NOT BEEN ABLE TO FIND

21 ANYTHING THAT SUPPORTS THE FOLLOWING SENTENCE IN A

22 MEMORANDUM THAT HE SUBMITTED -- THAT THE ATTORNEY GENERAL

23 SUBMITTED TO THE COURT ON JANUARY -- REGARDING THE

24 JANUARY 7 ORDER AND ALLOWING THE COURT TO PROCEED TO HEAR

25 THIS MATTER ON PAGE FOUR UNDER 2A CAPTION, "THE ATTORNEY
(STATEMENT BY MR BAILEY)
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1 GENERAL HAS EXCLUSIVE SETTLEMENT AUTHORITY OVER CHARITABLE
2 TRUSTS " WELL, THE FIRST PARAGRAPH DEALS WITH THE
3 ATTORNEY GENERAL'S ENFORCEMENT AND PROTECTION CAPABILITIES
4 WHICH I HAVE NO ARGUMENT WITH, BUT THE NEXT PARAGRAPH
5 STARTS WITH, "MORE SPECIFICALLY THE AUTHORITY OF THE
6 ATTORNEY GENERAL TO SETTLE LITIGATION INVOLVING CHARITABLE
7 TRUSTS IS EXCLUSIVE "

8 NOW, THE CASE THAT IS CITED IS THE CASE OF COOLEY
9 VERSUS THE SOUTH CAROLINA TAX COMMISSION AND IT'S A 1943
10 CASE AND, ESSENTIALLY, IT DEALT -- HAD ABSOLUTELY NOTHING
11 TO DO WITH CHARITABLE TRUSTS IT HAPPENED TO BE AN ESTATE
12 IN WHICH THE TESTATOR WAS A DOMICILIARY OF THE STATE OF
13 NEW JERSEY HOWEVER, THERE WAS PROPERTY IN SOUTH CAROLINA
14 AND THE SOUTH CAROLINA TAX COMMISSION WANTED TO DETERMINE
15 WHETHER OR NOT THE TESTATOR DECEDENT WAS DOMICILED IN
16 SOUTH CAROLINA IF SO, IT CREATED A TREMENDOUS INCREASE
17 IN WHAT TAX CONSEQUENCES WOULD BE ON IT WAS AT THAT TIME
18 IN 1943 A FIVE AND A HALF MILLION DOLLAR ESTATE

19 WELL, THE TAX COMMISSION ESSENTIALLY ASKED THE
20 ATTORNEY GENERAL TO ASSIST IN DETERMINING WHETHER OR NOT
21 THIS WAS BASICALLY AN ESTATE THAT SHOULD BE TAXED IN SOUTH
22 CAROLINA OR SIMPLY AN ANCILLARY ADMINISTRATION WITH
23 WHATEVER MINOR TAXES MIGHT BE THE RESULT OF THE PROPERTY
24 THAT WAS ACTUALLY IN SOUTH CAROLINA AND, THIS IS DEALING

25 -- THE ATTORNEY GENERAL'S ACTING ON BEHALF OF THE TAX

STATE OF SOUTH CAROLINA)
COUNTY OF AIKEN)

COURT OF COMMON PLEAS
07-CP-02-122

IN RE ESTATE OF JAMES BROWN)
A/K/A JAMES JOSEPH BROWN)

TRANSCRIPT OF RECORD

JUNE 30, 2008
AIKEN, SOUTH CAROLINA

B E F O R E

THE HONORABLE DOYET A EARLY, III, JUDGE

A P P E A R A N C E S

LOUIS LEVENSON, ESQ
LORI CHRISTMAN, ESQ
ATTORNEYS FOR THE THE HEIRS

ROBERT N ROSEN, ESQ
S ALAN MEDLIN, SQ
ATTORNEYS FOR THE TOMI RAE HYNIE BROWN

ADELE J POPE, ESQ
ROBERT L BUCHANAN, JR , ESQ
SPECIAL ADMINISTRATORS

A PETER SHAHID, JR , ESQ
ATTORNEY FOR THE GUARDIAN AD LITEM

MATT BODMAN, ESQ
ATTORNEY FOR TERRY BROWN, FORLANDO BROWN, AND
ROMUNZO BROWN

1 THE COURT YOU'RE TALKING ABOUT JUST THE SURVIVING
2 SPOUSE ISSUE OR WHO THE CHILDREN ARE ISSUE?

3 MR ROSEN BOTH, IN TERMS OF SCHEDULING THIS IS A
4 SCHEDULING ISSUE THIS IS DISCOVERY THIS IS JUST MY
5 TAKE ON IT YOU KNOW, WE'VE BEEN TRYING TO GET OUR MOTION
6 FOR SUMMARY JUDGMENT HEARD AND THEN WE HAD A QUARREL ABOUT
7 THE DISCOVERY BECAUSE IT WASN'T CLEAR WHO WAS ALLOWED TO
8 TAKE HER DEPOSITION WE TOOK THE POSITION THAT BRADLEY
9 AND CANNON WERE NO LONGER PARTIES IN THE CASE AND THEN
10 THINGS JUST KIND OF STOPPED

11 WHERE WE ARE IS THIS SAGA BEGINS WITH THE PERSONAL
12 REPRESENTATIVES' MOTION TO DISMISS OUR CASE WHICH IS
13 PENDING BEFORE YOUR HONOR IT COULD BE HEARD TODAY OR
14 COULD BE HEARD AT SOME POINT IT MIGHT BE ABLE TO DISPOSE
15 OF ALL OF THE ISSUES IN THIS MOTION, NUMBER ONE NUMBER
16 TWO -- AS TO THE SPOUSE NUMBER TWO, WE'VE HAD THE D N A
17 TEST OF JAMES █████ IF THE P R 'S WANT TO DO ANOTHER ONE,
18 THAT'S FINE, BUT I AM CONFIDENT IT WILL TURN OUT THE SAME
19 WAY SO, I THINK THE ISSUE OF HIS PATERNITY, THAT'S OVER
20 WITH

21 AS TO THE PATERNITY OF OTHER CHILDREN IN THIS CASE,
22 WE HAVE A MOTION FOR -- WE WANT D N A TESTS OF EVERYBODY
23 WHO CLAIMS TO BE A CHILD OR A GRANDCHILD AND THAT MOTION
24 HAS BEEN PENDING FOR SOME TIME I DON'T KNOW WHY
25 EVERYBODY DOESN'T CONSENT TO IT, BUT ANYWAY, THAT'S

STATE OF SOUTH CAROLINA

) IN THE COURT OF COMMON PLEAS
) SECOND JUDICIAL CIRCUIT

COUNTY OF AIKEN

)
)
)

Case No 08-CP-02-1647

HENRY DARGAN McMASTER, in his
capacity as Attorney General of the State of
South Carolina, DARYL J BROWN, on behalf of
his minor children, LINDSEY [REDACTED]
B [REDACTED] and JANISE [REDACTED] B [REDACTED]
DEANNA J BROWN THOMAS, on behalf of her
minor children, JASON BROWN LEWIS,
YAMMA N BROWN, on behalf of her minor
children, SYDNEY L [REDACTED], CARRINGTON
L [REDACTED] and TONYA BROWN, VANISHA
BROWN, and LARRY BROWN, TOMMIE RAE
HYNIE BROWN, JAMES [REDACTED]
B [REDACTED] through his Guardian Ad
Litem

) (On removal to Circuit Court from
) Probate Court 07-ES-02-0056)

Petitioners,

OFFER OF COMPROMISE

v

ALBERT H DALLAS, ALFRED A BRADLEY
and DAVID G CANNON, individually and as
(purported) Trustees of the James Brown
2000 Irrevocable Trust, ADELE J POPE and
ROBERT L BUCHANAN, JR , individually and
as (purported) Personal Representatives of the
Estate of James Brown and Trustees of the James
Brown 2000 Irrevocable Trust, TERRY BROWN,
ROMUNZO BROWN, FORLANDO BROWN,
CINNAMON N M PARRIS, LARHONDA PETIT,
JEANETTE MITCHELL and RUSSELL L
BAUKNIGHT

Respondents

469
2009
[Signature]
P&GS
[Signature] 830
Deputy Clerk

TO PLAINTIFFS NAMED ABOVE AND THEIR ATTORNEYS

Pursuant to South Carolina Code §15-35-400, Rule 68 of the South Carolina Rules of
Civil Procedure, and all other applicable law, Defendants Robert L. Buchanan, Jr and Adele J
Pope proffer an Offer of Judgment in the above-referenced matter as set out below

If, pursuant to said rule and law, the Offer is not timely accepted and the judgment

against said Defendants is less than the above proffer, said Defendants shall seek from Plaintiffs all expenses and costs, including attorneys' fees, under South Carolina Code §15-35-400, Rule 68 of the South Carolina Rules of Civil Procedure, and all other applicable law

CAPTION OF FINAL ORDER OF JUDGEMENT

The Caption as contained in the Order of Judgment shall be corrected to correct misspelled names, to confirm that Daryl Brown and other Brown children are Individual Parties to this action, to designate Defendants Cannon, Dallas and Bradley as "Former", rather than "purported" and to remove the term "purported" as it relates to Defendants Buchanan and Pope

[The corrected caption is not a requirement of the offer]

CONTENTS OF ORDER

The Order Granting Final Judgment shall be in substantially the following form

This Order resolves all issues raised in this case

1 The action to remove Robert L Buchanan, Jr and Adele J Pope as Personal Representatives and Trustees is hereby dismissed

2 The Last Will and Testament of James Brown dated August 1, 2000 shall be formally admitted to probate, but subject to the modifications set out below

a. The Personal and Household Effects (PHE) to which the 6 children are entitled under Item I of the Will shall consist of the current contents of Beech Island and the assets on loan to museums Deanna Thomas shall take possession of the Beech Island contents for safekeeping on behalf of the 6 children on or before May 1, and shall immediately deliver a receipt for same

b The first sentence of Item II of the Will is amended to so that after amendment it shall read

Subject to subparagraph (3), below I give and devise the rest, residue and remainder of my property as follows

(1) Fourteen (14%) percent to be divided equally among Daryl, Terry, Larry, Venisha and James ██████, Deanna Brown Thomas and Yamma Brown Lumar, all of whom are declared to be acknowledged children of James Brown

[An additional One (1%) percent to James ██████ upon receipt of official DNA confirmation by May 1, 2009 Provided, however, failure to elect this provision shall not be deemed to create any presumption or inference affecting his status as an acknowledged child for all purposes]

(2) The Remainder [either 85% or 86% percent] to the James Brown 2000 Irrevocable Trust created on August 1, 2000 prior to the execution of this Will

(3) All amounts otherwise payable to James ██████ shall be paid to a conservator or Trustee nominated by his mother and acceptable to the Court

3 GAL and attorneys' fees and costs for James ██████ shall be charged to his share as a priority expense of administration, in a reasonable amount to be set by the Court upon presentation of Affidavits and/or other documentation

4 The permanent resignations of Messrs Cannon, Dallas and Bradley as set out in the August 10, 2007 Order in Case 122 shall remain in full force and effect

5 Robert L Buchanan, Jr and Adele J Pope shall continue to serve as PRs and Trustees, and their actions to date are ratified and confirmed

6 Effective upon entry of this Order, Louis Levenson, if his clients consent in writing to such service, shall serve as Special Administrator, to cooperate and assist the PR/Trustees with marshaling and managing assets and litigation, including but not limited to, implementation of the CORBIS settlement, selecting a recipient of the Right of First Offer, due diligence regarding a potential asset sale, and related TIAA and Pullman matters

7 Except as set out herein, and subject to payment of the claims set out below, the Last Will and Testament of James Brown dated August 1, 2000 shall remain in full force and effect, including its tax apportionment provisions

8 The Court specifically finds that all challenges to the validity of the James Brown 2000 Irrevocable Trust and its subtrusts, the Brown Family Education Trust and the James Brown "I Feel Good" Trust are barred by applicable statutes of limitation and should be dismissed All challenges thereto should be dismissed

9 Upon receipt of the Estate Tax Closing letter, after disclosure to the IRS of the final Order approving this settlement, payment or provision for all debts, taxes and expenses of administration, final resolution of the Forlando Brown Federal Suit, including the counterclaim, and final resolution of the Cannon and Dallas/Bradley appeals, Robert L Buchanan, Jr and Adele J Pope shall resign as Trustees (and PRs if appropriate) and appoint as Successors

a Deanna J Brown Thomas (to fill a seat to be held by, or permanently reserved for, a member of the Brown family),

b A competent, independent South Carolinian appointed by the Attorney General of South Carolina, and

c A competent, independent South Carolinian appointed by a majority of the then-existing Advisory Board, which currently consists of Dr Leonard McIntyre, Dr Ann Carmichael, Ms Inez Tenenbaum, Judge Walter Williams, and Coach Larry Campbell

10 430 Douglas Drive, Beech Island shall be sold, absolutely as is, to DEANNA BROWN THOMAS for \$925,307, or other(s) if not closed by May 1, 2009, as set out the PR/Trustees' Memorandum dated March 27, 2009

11 In complete settlement of all claims and rights each may have in and to the Estate and Trust, and paid prior to the final residuary distributions set out above, the following shall be Offered, and paid if timely accepted as part of this Offer

a Seven (7%) percent of the residue to Tommie Rae Hynie in exchange for relinquishment of all claims she may have in, to and/or against the Estate, the Trust and any Brown Entities

b Ten Thousand (\$10,000 00) Dollars and recognition that she is child of James Brown as contemplated under current Federal Copyright Law, to each of Cinnamon N Parris, Jeanette Mitchell and LaRhonda Pettit, in full settlement of all claims and/or demands each shall have against Estate/Trust

12 The *In Terrorem* clauses of the 2000 Will and Trust shall not be enforced against

persons who immediately ratify in writing the 2000 Will and 2000 Trust, as modified by this Order

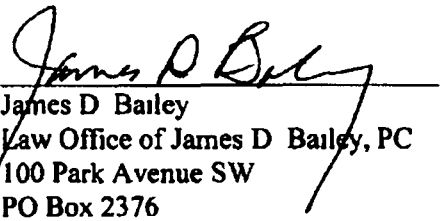
9 All assets other than Beech Island and Geronimo LLC shall, for accounting purposes, be treated as Estate assets unless objected to by the Attorney General of South Carolina, or if a different ownership is clearly established

10 A 6-months Right of First Offer with exclusive due diligence period for a potential sale of the bulk of the Estate/Trust Assets shall be granted as soon as reasonable, but within 30 days with any one or more person(s) procuring a buyer who actually closes entitled to a finder s fee, up to a total of 2%, as agreed by the PR/Trustees or approved by Probate Court

11 All parties shall execute such additional documents as are reasonable requested to carry out the terms of this Order

AND IT IS SO ORDERED

Respectfully submitted,


James D Bailey
Law Office of James D Bailey, PC
100 Park Avenue SW
PO Box 2376
Aiken, South Carolina 29802
Telephone 803-648-9529
Facsimile 803-642-6041

Attorneys for Defendants Robert L Buchanan, Jr and Adele J Pope, individually and as Personal Representatives of the Estate of James Brown and Trustees of the James Brown 2000 Irrevocable Trust

March 31, 2009

2004

12-31-2006 CORPORATION RETURN
for
JAMES BROWN ENTERPRISES, INC
P O BOX 691
BARNWELL, SC 29812

Part CPA 391
1834-35506

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return
For calendar year 2006 or tax year beginning 01-01, 2006, and 12-31, 20 06
▶ See separate instructions.

OMB No. 1545-0123
2006

A Check if: 1 Consolidated return (attach Form 991) <input type="checkbox"/> 2 Personal holding co. (attach Form 991) <input checked="" type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 (attach Form 991) <input type="checkbox"/>	Use IRS label, Other-wise, print or type.	Name JAMES BROWN ENTERPRISES, INC	B Employer identification no. 57-0929939
		Number, street, and room or suite no. If P O box, see instructions. P O BOX 691	C Date incorporated 04-01-1991
		City or town, state, and ZIP code BARNWELL, SC 29812	D Total assets (see instructions) \$ 14,731,586

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

Income	1a Gross receipts/sales	853,593	b Less returns and allowances		1c	853,593
	2 Cost of goods sold (Schedule A line 8)				2	
	3 Gross profit. Subtract line 2 from line 1c				3	853,593
	4 Dividends (Schedule C line 18)				4	
	5 Interest				5	322,517
	6 Gross rents				6	
	7 Gross royalties				7	3,423,167
	8 Capital gain net income (attach Schedule D (Form 1120))				8	
	9 Net gain or (loss) from Form 4797 Part II, line 17 (attach Form 4797)				9	
	10 Other income (see instructions -- attach schedule)				10	
	11 Total income. Add lines 3 through 10				11	4,599,277

Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (Schedule E line 4)			12		
	13 Salaries and wages (less employment credits)			13	259,467	
	14 Repairs and maintenance			14	3,737	
	15 Bad debts			15		
	16 Rents			16	5,522	
	17 Taxes and licenses			17	32,019	
	18 Interest			18	1,523,679	
	19 Charitable contributions			19	30,400	
	20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)			20	46,277	
	21 Depletion			21		
	22 Advertising			22	5,500	
	23 Pension profit-sharing, etc. plans			23		
	24 Employee benefit programs			24	4,708	
	25 Domestic production activities deduction (attach Form 8803)			25		
	26 Other deductions (attach schedule)			26	793,979	
	27 Total deductions. Add lines 12 through 26			27	2,705,288	
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28	1,893,989	
29 Less: a Net operating loss deduction (see instructions)	29a	1,330,189	29b		29c	1,330,189
b Special deductions (Schedule C line 20)						

Tax and Payments	30 Taxable income. Subtract line 29c from line 28 (see instructions if Schedule C, line 12, was completed)			30	563,800
	31 Total tax (Schedule J line 11)			31	191,692
	32a 2005 overpayment credited to 2006	32a			
	b 2006 estimated tax payments	32b			
	c 2006 refund applied for on Form 4468	32c			
	d Tax deposited with Form 7004	32d			
	e Tax deposited with Form 7004	32e			
	f Credit for (1) Form 2439 (2) Form 4138	32f			
	g Credit for federal telephone excise tax paid (attach Form 8913)	32g	1,409	32h	1,409
	33 Estimated tax penalty (see instructions) Check if Form 2220 is attached			33	
34 Amount owed. If line 32g is smaller than the total of lines 31 and 33, enter amount owed			34	190,283	
35 Overpayment. If line 32g is larger than the total of lines 31 and 33, enter amount overpaid			35		
36 Enter amount of line 35 you want: Credited to 2007 estimated tax ▶ <input type="checkbox"/> Refunded ▶ <input type="checkbox"/>			36		

Under penalties of perjury I declare that I have examined this return, including accompanying schedules & statements, and to the best of my knowledge and belief it is true, correct, & complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date	Title	May the IRS discuss this return with preparer shown below (see inst. 7) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address and ZIP code			
	PHILLIP G FARR CPA PC	09-26-2007		6322
	104 COBB STREET			
	THOMSON GA 30824		Phone no.	
				706-595-7520

Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule)	5
6	Total. Add lines 1 through 5	6
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1 line 2	8

9a Check all methods used for valuing closing inventory

(i) Cost

(ii) Lower of cost or market

(iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods Yes No

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) Yes No

d If LIFO inventory method was used for this tax year enter percentage (or amounts) of closing inventory computed under LIFO Yes No

e If property is produced or acquired for resale do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities cost or valuations between opening and closing inventory? If "Yes," attach explanation Yes No

Schedule C Dividends and Special Deductions (See instructions)

	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations	Instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs	80	
8	Dividends from wholly owned foreign subsidiaries	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from affiliated group members	100	
12	Dividends from controlled foreign corporations (attach Form 8895)	100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11 or 12		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15	Foreign dividend gross-up		
16	IC-DISC & former DISC dividends not included on lines 1, 2, or 3		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities		
19	Total dividends. Add lines 1 through 17. Enter here and on page 1 line 4		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b		

Schedule E Compensation of Officers (See instructions for page 1 line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
	JAMES BROWN	-3801	100%	100%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2	Total compensation of officers					
3	Compensation of officers claimed on Schedule A and elsewhere on return					
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12					

Schedule J Tax Computation (See instructions)

1	Check if the corporation is a member of a controlled group	<input type="checkbox"/>	
2	Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	2 191,692
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4 191,692
5a	Foreign tax credit (attach Form 1118)		5a
5b	Qualified electric vehicle credit (attach Form 8834)		5b
5c	General business credit. Check applicable box(es) <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 8836, Section B <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 8844		5c
5d	Credit for prior year minimum tax (attach Form 8827)		5d
5e	Bond credits from <input type="checkbox"/> Form 8880 <input type="checkbox"/> Form 8912		5e
6	Total credits. Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7 191,692
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8811 <input type="checkbox"/> Form 8897 <input type="checkbox"/> Form 8868 <input type="checkbox"/> Form 8802 <input type="checkbox"/> Other (attach schedule)		9
10	Total tax. Add lines 7 through 9. Enter here and on page 1 line 31		10 191,692

Schedule K Other Information (See instructions)

	Yes	No		Yes	No
1	Check method of accounting: <input checked="" type="checkbox"/> Cash			7	
	<input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶ _____			At any time during the tax year did one foreign person own, directly or indirectly at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation?	
2	See the instructions and enter the:			If "Yes," enter (a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____	
a	Business activity code no. ▶ 711510			C The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached ▶ _____	
b	Business activity ▶ SERVICES			8 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/>	
c	Product or service ▶ PERFORMING ARTS			If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.	
3	At the end of the tax year did the corporation own, directly or indirectly 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 287(c))		X	9 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____	
	If "Yes" attach a schedule showing (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year			10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ 1	
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?		X	11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here <input type="checkbox"/>	
	If "Yes" enter name and EIN of the parent corporation ▶ _____			If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1602-21T(b)(3)(f) must be attached or the election will not be valid.	
5	At the end of the tax year did any individual, partnership, corporation, estate, or trust own directly or indirectly 50% or more of the corporation's voting stock? (For rules of attribution, see section 287(c))		X	12 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 28a.)	
	If "Yes" attach a schedule showing name and identifying NO (Do not include any information already entered in 4 above.) Enter percentage owned ▶ _____			▶ \$ 1,330,189	
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316)		X	13 Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000?	
	If "Yes" file Form 5452, Corporate Report of Nondividend Distributions			If "Yes" the corporation is not required to complete Schedules L, M-1 and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____	
	If this is a consolidated return, answer here for the parent corporation and on Form 851 Affiliations Schedule, for each subsidiary				

Note. If the corporation, at any time during the tax year had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations to this return. See Schedule N for details.

INDIVIDUAL, PTNR, CORP, ESTATE OR TRUST OWNES 50% OR MORE VOTING STOCK

Individual or entity owned 50% or more voting stock	Name
Individual or entity owned 50% or more voting stock	EIN
Individual or entity owned 50% or more voting stock	Percentage

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		-205,746		-10,591
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts	()		()	
3	Inventories				
4	U S government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach schedule)		1,212,803		1,248,412
7	Loans to shareholders		6,719,105		6,702,785
8	Mortgage and real estate loans				
9	Other investments (attach schedule)		2,524,079		2,524,079
10a	Buildings and other depreciable assets	2,631,234		2,637,960	
b	Less accumulated depreciation	(466,792)	2,164,442	(513,059)	2,124,901
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach schedule)		2,142,000		2,142,000
15	Total assets		14,556,683		14,731,586
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach schedule)		324,892		317,337
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		15,561,980		14,172,966
21	Other liabilities (attach schedule)				
22	Capital stock, a Preferred stock b Common stock				
23	Additional paid-in capital				
24	Retained earnings -- Appropriated (attach sch.)				
25	Retained earnings -- Unappropriated		-1,330,189		241,283
26	Adjustments to shareholders' equity (attach sch.)				
27	Less cost of treasury stock		()		()
28	Total liabilities and shareholders equity		14,556,683		14,731,586

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: Schedule M-3 is required instead of Schedule M-1 if total assets are \$10 million or more see instructions

1	Net income (loss) per books	1,893,989	7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$	
2	Federal income tax per books		8	Deductions on this return not charged against book income this year (itemize): a Depreciation \$ b Charitable contributions \$	
3	Excess of capital losses over capital gains		9	Add lines 7 and 8	
4	Income subject to tax not recorded on books this year (itemize):		10	Income (page 1, line 28) -- line 6 less line 9	1,893,989
5	Expense recorded on books this year not deducted on this return (itemize): a Depreciation \$ b Charitable contributions \$ c Travel and entertainment \$				
6	Add lines 1 through 5	1,893,989			

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	-1,330,189	5	Distributions a Cash b Stock c Property	322,517
2	Net income (loss) per books	1,893,989	6	Other decreases (itemize)	
3	Other increases (itemize)		7	Add lines 5 and 6	322,517
4	Add lines 1, 2, and 3	563,800	8	Balance at end of year (line 4 less line 7)	241,283

W- [5280]
Form 4562

**Depreciation and Amortization
(Including Information on Listed Property)**

OMB No 1545-0172

2006

Attachment
Sequence No. 67

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

JAMES BROWN ENTERPRISES, INC

Business or activity to which this form relates

Identifying number
57-0929939

Part I Election To Expense Certain Property Under Section 179

Note. If you have any listed property complete Part V before you complete Part I

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$108,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$430,000
4	Reduction in limitation Subtract line 3 from line 2. If zero or less enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less enter -0- If married filing separately see instructions	5	108,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 2B	7	
8	Total elected cost of section 179 property Add amounts in column (c) lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2005 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	108,000
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2007 Add lines 9 and 10 less line 12 ▶	13	

Note. Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	44,932
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts check here ▶ <input type="checkbox"/>		

Section B -- Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		6,726	5	HY	5DDB	1,345
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		SL	
h Residential rental property			27.5 yrs.	MM	SL	
i Nonresidential real property			39 yrs.	MM	SL	
				MM	SL	

Section C -- Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

20a Class life					SL	
b 12 year			12 yrs		SL	
c 40-year			40 yrs	MM	SL	

Part IV Summary (See instructions)

21	Listed property Enter amount from line 2B	21	
22	Total. Add amounts from line 12 lines 14 through 17 lines 19 and 20 in column (g) and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr	22	46,277
23	For assets shown above and placed in service during the current year enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2006)

Taxware Systems, Inc. LF4562-1 HP

Farr CPA 397
1834 33506

**Application for Automatic 6-Month Extension of Time To File
 Certain Business Income Tax, Information, and Other Returns**

OMB No. 1545-0233

Type or Print File by the due date for the return for which an extension is requested. See instructions.	Name JAMES BROWN ENTERPRISES, INC	Taxpayer identification number 57-0929939
	Number, street, and room or suite no. (if a P.O. box, see instructions.) P O BOX 691	
	City or town, state, and ZIP code (if a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). BARNWELL, SC 29812	

Note See instructions before completing this form

- 1 Enter the form code for the return that this application is for (see below) 12
- 2 If the foreign corporation does not have an office or place of business in the United States check here ▶
- 3 If the organization is a corporation that qualifies under Regulations section 1.6081-5 (see instructions) check here ▶
- 4a For calendar year 20 06 or other tax year beginning _____, 20____ and ending _____, 20____
- 4b Short tax year. If this tax year is less than 12 months check the reason:
 Initial return Final return Change in accounting period Consolidated return to be filed
- 5 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return check here ▶
 If checked, attach a schedule listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.
- 6 Tentative total tax 8 0
- 7 Total payments and credits (see instructions) 7 0
- 8 Balance due. Subtract line 7 from line 6. Generally you must deposit this amount using the Electronic Federal Tax Payment System (EFTPS), a Federal Tax Deposit (FTD) Coupon, or Electronic Funds Withdrawal (EFW) (see instructions for exceptions) 8 0

Extension Is For	Form Code	Extension Is For	Form Code
Form 702 (GR(D))	01	Form 1120-E	17
Form 702-GS(T)	02	Form 1120-ND	18
Form 990-C (2005 fiscal year filers only)	03	Form 1120-ND (section 1991 taxes)	19
Form 1041 (estate)	04	Form 1120-PC	20
Form 1041 (trust)	05	Form 1120-POL	21
Form 1041-N	06	Form 1120-REIT	22
Form 1041-QFT	07	Form 1120-RIC	23
Form 1042	08	Form 1120-S	24
Form 1065	09	Form 1120-SF	25
Form 1065-B	10	Form 3520-A	26
Form 1066	11	Form 5512	27
Form 1120	12	Form 8513	28
Form 1120 (sub T) (2005 fiscal year filers only)	13	Form 8725	29
Form 1120-A	14	Form 8604	30
Form 1120-C	15	Form 8831	31
Form 1120-F	16	Form 8876	32
Form 1120-RSC	16		33

For Paperwork Reduction Act Notice see instructions.

Form 7004 (Rev. 12-2008)

Taxware Systems Inc. U7004.jp

Farr CPA 398
 1834-35506

Credit for Federal Telephone Excise Tax Paid

Department of the Treasury
Internal Revenue Service

▶ Attach to your income tax return.

Name as shown on your income tax return

Identifying number

JAMES BROWN ENTERPRISES, INC

57-0929939

Enter the federal telephone excise tax billed during each period as listed in column (a) of lines 1-14 below

By filing this form you are certifying that you (a) have not received from your service provider credit or refund of the tax paid on long distance service or bundled service billed after February 28, 2003, and before August 1, 2006 and (2) will not ask your provider for a credit or refund or have withdrawn any request submitted to the provider for a credit or refund

Caution See the instructions for explanations of the services that qualify for a credit or refund of the federal telephone excise tax

Amount of federal excise tax on long distance or bundled service only

(a) Bills dated during:	(b) Long distance service	(c) Bundled service	(d) Tax credit or refund (add columns (b) and (c))	(e) Interest (see instructions)
1 March April and May 2003	\$ 89	\$	\$ 89	\$ 18
2 June July and August 2003	89		89	17
3 September October and November 2003	89		89	17
4 December 2003 January and February 2004	89		89	16
5 March, April, and May 2004	89		89	15
6 June, July and August 2004	89		89	14
7 September, October and November 2004	89		89	13
8 December 2004 January and February 2005	89		89	12
9 March, April, and May 2005	89		89	10
10 June July and August 2005	89		89	9
11 September October and November 2005	89		89	8
12 December 2005 January and February 2006	89		89	6
13 March April and May 2006	89		89	5
14 June and July 2006	89		89	3
15 Add lines 1-14 in columns (d) and (e)			\$ 1,246	\$ 163
16 Total credit or refund requested. Add columns (d) and (e) on line 15. Enter here and on Form 1040 line 71; Form 1040A, line 42; Form 1040EZ, line 9; Form 1040EZ-T, line 1a; Form 1040NR, line 69; Form 1040NREZ, line 21; Form 1120 line 32g; Form 1120-A, line 28g; Form 1120S, line 23d; Form 1041, line 24f; Form 1065, line 23; Form 990-T, line 44f; or the proper line of other returns. ▶				\$ 1,409

For Paperwork Reduction Act Notice, see Instructions.

Form **8913** (2006)

SSA-Tecoms Systems Inc. LFS813.HP

2006 (DEDUCTIONS) SCHEDULE OF TAXES

SCHEDULE OF TAXES STATEMENT	
DESCRIPTION	AMOUNT
TAXES AND LICENSES	27,019
STATE INCOME TAX	5,000
Total Schedule of Taxes	32,019

2006 (DEDUCTIONS) SCHEDULE OF OTHER DEDUCTIONS

SCHEDULE OF OTHER DEDUCTIONS	
DESCRIPTION	AMOUNT
PROFESSIONAL SERVICES 1099	37,075
COSTUMES	5,002
DUES AND MEMBERSHIPS	1,328
SUPPLIES	6,882
INSURANCE	18,438
SECURITY	350
TRAVEL	4,782
TELEPHONE	13,140
UTILITIES	30,067
PROFESSIONAL AND LEGAL	182,538
TRUSTEE FEES	50,000
AMORTIZATION BOND ISSUANCE COSTS	443,291
Total schedule of other deductions	793,979

2006 (SCHEDULE L) SCHEDULE OF OTHER INVESTMENTS

SCHEDULE OF OTHER INVESTMENTS		
DESCRIPTION	BEGINNING	ENDING
INVESTMENTS	2,524,079	2,524,079
Total Schedule L beginning other investments		2,524,079
Total Schedule L Ending other investments		2,524,079

2006 (SCHEDULE L) SCHEDULE OF OTHER ASSETS

SCHEDULE OF OTHER ASSETS		
DESCRIPTION	BEGINNING	ENDING
BOND ESCROW FUNDS	2 142,000	2 142,000
Total Schedule L beginning other assets		2,142,000
Total Schedule L Ending other assets		2,142,000

Farr CPA 404
1834-35506

2006 (SCHEDULE L) SCHEDULE OF OTHER CURRENT LIABILITIES

SCHEDULE OF OTHER CURRENT LIABILITIES		
DESCRIPTION	BEGINNING	ENDING
PAYROLL TAX LIABILITIES		29,882
ADVANCES FROM VENDORS	299,063	287,345
Total Schedule L beginning other current liabilities		324,882
Total Schedule L Ending other current liabilities		317,337

Part CPA 405
1834 35506

2006 SCHEDULE

SCHEDULE			
DESCRIPTION	COLUMN A	COLUMN B	COLUMN C
SCHEDULE K, QUESTION 5			
JAMES BROWN			
430 DOUGLAS DRIVE			
BEECH ISLAND SC 29841			
259-32-3801			
CONTRIBUTION CARRYFORWARD FROM 12/31/98			
TOTALS			

**THE STATE OF SOUTH CAROLINA
IN THE Supreme COURT**

**APPEAL FROM AIKEN COUNTY
Court of Common Pleas**

**Doyet A Early, III, Circuit Court Judge
Case No 2008-CP-2-1647**

Alan Wilson, in his capacity as Attorney General of the State of South Carolina, Daryl J Brown, on behalf of his minor children, Lindsey B and Janise B , Deanna J Brown Thomas, on behalf of her minor child, Jason L , Yamma N Brown, on behalf of her minor children, Sydney L , Carrington L , and Tonya B , Vanisha Brown, Larry Brown, Tommie Rae Hynie Brown, and James B , through his Guardian ad Litem, Respondents,

v

Albert H Dallas, Alfred A Bradley, and David G Cannon, Individually and as (purported) Trustees of the James Brown 2000 Irrevocable Trust, Adele J Pope and Robert L Buchanan, Jr , Personal Representatives of the Estate of James Brown and Trustees of the James Brown 2000 Irrevocable Trust, Terry Brown, Romunzo Brown, Forlando Brown, Cinnamon N M Paris, LaRhonda Petitt, Jeanette Mitchell, and Russell L Bauknight, as Special Administrator and Special Trustee for The Estate of James Brown and The James Brown 2000 Irrevocable Trust,

of whom Robert L Buchanan, Jr , and Adele J Pope, as Personal Representatives of the Estate of James Brown and Trustees of the James Brown 2000 Irrevocable Trust are, Appellants,

and Albert H Dallas, Alfred A Bradley, and David G Cannon, Individually and as (purported) Trustees of the James Brown 2000 Irrevocable Trust, Terry Brown, Romunzo Brown, Forlando Brown, Cinnamon N M Paris, LaRhonda Petitt, Jeanette Mitchell, and Russell L Bauknight, as Special Administrator and Special Trustee for The Estate of James Brown and The James Brown 2000 Irrevocable Trust are Respondents

In re The Estate of James Brown and The James Brown 2000 Irrevocable Trust u/a/d August 1, 2000

RULE 210(g) CERTIFICATE

Pursuant to Rule 210(g), SCACR, I hereby certify that the Supplemental Record on Appeal contains all material proposed to be included by any of the parties and not any other material

A handwritten signature in black ink that reads "James B. Richardson, Jr." with a stylized flourish at the end.

James B Richardson, Jr
1229 Lincoln Street
Columbia, South Carolina 29201
(803) 799-9412

April 6, 2011

Attorney for Appellants

THE STATE OF SOUTH CAROLINA
IN THE Supreme COURT

RECEIVED

APR 11 2011

APPEAL FROM AIKEN COUNTY
Court of Common Pleas

S C Supreme Court

Doyet A Early, III, Circuit Court Judge
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In re The Estate of James Brown and The James Brown 2000 Irrevocable Trust u/a/d August 1, 2000

CERTIFICATE OF SERVICE

The undersigned certifies that he served a copy of the Supplemental Record on Appeal upon the respondents by first class upon the respondents by first class mail, postage prepaid, addressed to their respective attorneys, namely

Attorney General Alan Wilson	Robert N Rosen, Esq
Assistant Deputy Attorney General Robert D Cook	T Heyward Carter, Esq
Senior Assistant Attorney General C Havird Jones	S Alan Medlin, Esq
Assistant Attorney General J C Nicholson, III	David L Michel, Esq
Assistant Attorney General Mary Frances Jowers	Albert P Shahid, Jr , Esq
Fred L Kingsmore, Jr , Esq	

addressed to them at their respective addresses of record, on April 11, 2011



James B Richardson, Jr
1229 Lincoln Street
Columbia, South Carolina 29201
(803) 799-9412

April 11, 2011

Attorney for Appellants