THE STATE OF SOUTH CAROLINA
In The Court of Appeals

RECEIVED
MAR 11 2015
SC Court of Appeals

Case No: 2014-002029

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Judge Doyet A. Early, III, Circuit Court Judge

Case No. 2008-CP-40-6656

John R. Rakowsky, Respondent

v.

Irene Santacroce, Appellant
Estate of Doris Holt, Appellant
Rodney Lail, Appellant

and

James B. Spencer, Appellant, *Pro Se*

CORRECTED JOINT APPENDIX

Attached please find the corrected Joint Appendix filed within the schedule as set forth by the Court in the correspondence dated March 1, 2016.

Respectfully submitted this
March 11, 2016

By:

James B. Spencer, *Pro Se*
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

By:

Michael G. Sribnick, M.D., J.D., LLC
3 Kenilworth Avenue
Charleston, S.C. 29403
Phone: (843) 789-3504
Fax: (843) 720-8907
michael.g.sribnickmdjdllc@gmail.com

RECORD ON APPEAL

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

Case No: 2014-002029

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

The Honorable Judge Doyet A. Early, III, Jr. Circuit Court Judge

---

John R. Rakowsky, *Respondent*

v.

Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson, on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene Chewing, and Glenn W. Harrison, Defendants,

Of whom James Spencer, Irene Santacroce, Rodney Keith Lail, and the Estate of Doris Holt are *Appellants*.

RECORD ON APPEAL

VOLUME ONE

Appellants
Michael G. Sribnick, M.D., J.D., LLC
3 Kenilworth Avenue
Charleston, SC 29403
(843) 789-8907

Respondent
Desa Ballard, Esquire
Ballard and Watson, Attorneys at Law
PO Box 6338
West Columbia, SC 29171

James B. Spencer, *Pro Se,* Appellant
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212
(803) 414-0889

Index

Court Orders	**Pg. #**
Court Order Judge Seals, August 3, 2011	1-4
Court Order, Judge Barber, October 18, 2011	5-6
Court Order -Denying Motion to Compel Judge Couch, July 19, 2012	7-10
Court Order, Judge Early, January 10, 2014	11-12
Partial Relief Order, Judge Early, June 27, 2014	13-24
Final Order, Judge Early, December 23, 2014	25-38
Pleadings	
Complaint for Interpleader Desa Ballard, September 12, 2008	39-47
Motion for Immediate Release of Litigation Funds, October 20, 2008	48-59
Motion to Amend Complaint, July 28, 2010	60-61
Second Amended Complaint for Interpleader, July 28, 2010	62-68
Response & Counter Claims, Second Amended Complaint, August 29, 2011	69-94
Plaintiff s Response to Defendant's Amended Counter Claim (See Pg. 22), May 7, 2012	95-100
Defendant's Motion to Amend Answer, August 30, 2011	101-106
Objections to Plaintiff Rakowsky's Claim to Interpleader Funds, January 30, 2014	107-128
Defendant Motion for Sanctions with Exhibits, December 20, 2011	129-226
Email from Court, February 27, 2014	227-230
Affidavit from Mara Ballard May 28, 2014	231-372
Motion to Compel, July 29, 2014	373-452
Rakowsky & Falgione Engagement Contracts	453-465
Supplemental Order, September 9, 2014	466-467
Form 4 Order A. Bores, September 10, 2014	468-470

Defendant's Response to Second Amended Complaint, January 18, 2011 471-478

Complaint Against Interplead Funds, Dec 11, 2013 479-493

Motion for Equitable Indemnification, July 24, 2014 494-508

Affidavit of John Rakowsky, May 16, 2014 509-529

Email from Judge Early, September 12, 2014 530

Email from Judge Early, October 4, 2014 531-532

Email to A. Bores, October 21, 2014 533-534

Letter from Desa Ballard to Judge Early, October 23, 2014 535-536

Email Michael Sribnick to Judge Early, October 24, 2014 537-538

Desa Ballard's Check to James Spencer into Escrow Account 539

Transcripts

Transcript: August 20, 2014 Hearing 540-567

Transcript: May 7, 2014 Hearing 568-638

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	)	IN THE COURT OF COMMON PLEAS FIFTH JUDICIAL CIRCUIT CASE NO.: 2008-CP-40-6656
John R. Rakowsky, Plaintiffs, vs. Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison, Defendants.	)	ORDER

RICHLAND COUNTY
FILED
2011 AUG -3 PM 5:17
JEANETTE W. McBRIDE
C.C.P. & G.S.

This matter came before me on July 11, 2011, for hearing on several motions. Present were the Plaintiff and his counsel, Stephanie Weissenstein, Andrew Linderman as counsel for Horry County, defendant Adrian Falgione, *pro se*, and Defendants James Spencer and Rodney Lail, who are *pro se*, but for whom attorney Tom Mosley made a limited appearance. The relevant motions before the Court were as follows: Plaintiff's Motion to Quash Subpoena, Plaintiff's Motion to Strike and to File Under Seal and Defendant Falgione's Motion to Quash Subpoena.

Regarding the motions to Quash Subpoena, I find that the materials requested by the Subpoenas issued by *pro se* Defendant James Spencer on February 10, 2011 are privileged financial records belonging to Plaintiff or his counsel, and the request is overly broad, unduly burdensome and is not likely to lead to admissible evidence. Furthermore, there is no question of fact that the Plaintiff possesses sixty-two thousand, six hundred and ninety-one dollars and seventy-eight cents ($62,691.78) that is related to the litigation by and/or between the parties

SCANNED

hereto in which Plaintiff served as legal counsel for certain of these defendants, including James Spencer. Furthermore, I find that the materials sought from Defendant Falgione, which are not in his custody, are also confidential in nature and that the request is overly broad and not likely to lead to admissible evidence.

Therefore, IT IS HEREBY ORDERED THAT the Subpoenas issued by *pro se* Defendant James Spencer on February 10, 2011 is quashed for the reasons stated above.

Plaintiff moves to strike the Answer and Counterclaim Complaint which was filed by Defendants James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Michael Hartness on or around January 18, 2011. Plaintiff asserts that these defendants have alleged facts and submitted documents containing confidential and inflammatory information that could cause substantial harm to the Plaintiff and which do not have any bearing on this lawsuit. After *in camera* review of certain documentation presented by Plaintiff and of the pleadings in this record, I conclude that these matters are defamatory in nature, unnecessary to ensure a fair trial, and have been addressed and disposed of in another forum in favor of Plaintiff.

Therefore, IT IS HEREBY ORDERED THAT any and all pleadings filed by *pro se* defendants James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Michael Hartness in response to Complaints regarding this matter or in which allegations are made either against Plaintiff or related to his prior professional relationship with these defendants are hereby stricken. Specifically, IT IS HEREBY ORDERED THAT all the allegations highlighted in Exhibit A of Plaintiff's Motion to Strike shall be redacted from the Response to Second Amended Complaint.

Plaintiff has requested that the pleadings in this matter be filed under seal pursuant to Rule 41.1(b), SCRCP. That motion is DENIED.

IT IS SO ORDERED.

William H. Seals, Jr.
Judge for the 5th Judicial Circuit

July 25, 2011
Richland County

Form 4

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO: 2008CP4006656

RICHLAND COUNTY FILED
2011 AUG -4 P 3:3
JEANETTE W. McBRIDE C.C.P.&G.S.

John R Rakowsky *vs.* **Southern Holdings Inc.**

Plaintiff Defendant

CHECK ONE:

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered

☐ **ACTION DISMISSED** (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other:

☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j) SCRCP; ☐ Bankruptcy;
☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;
☐ Other: _____

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (*CHECK APPLICABLE BOX*):
☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other
NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☒ See attached order; ☐ Statement of Judgment by the Court:

Dated at Columbia, South Carolina, this _____ day of _____, 2011.

_____
PRESIDING JUDGE

This judgment was entered on the _____ day of _____, 2011, and a copy mailed first class this 4 August 2011, to attorneys of record or to parties (when appearing pro se) as follows:

Desa Ballard

ATTORNEY(S) FOR THE PLAINTIFF(S)

Ernest H Morton Jr **Linda Williamson Lawrence**
Andrew F. Lindemann **Adrian Lee Falgione**

ATTORNEY(S) FOR THE DEFENDANT(S)

Jeanette W. McBride

Clerk of Court

SCRCP APP-24/FORM 4

SCANNED

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT
CASE NO.: 2008-CP-40-6656

RICHLAND COUNTY FILED
2011 OCT 18 PM 4:19
CLERK OF C.C.P. & G.S.
BETTIE W. McBRIDE

John R. Rakowsky,

Plaintiff,

vs.

Adrian L Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Margüerite Stephens, Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing and Glenn W. Harrison,

Defendants.

ORDER DENYING MOTION TO COMPEL, SUBSTITUTING PARTIES, RELEASE OF LITIGATION FUNDS, AND AMENDING COMPLAINT ACCORDINGLY

This matter came before me on September 15, 2011, for hearing on Defendant James Spencer's "*EXPEDITED MOTION TO COMPEL DEFENDANTS REQUEST FOR PRODUCTION OF DOCUMENTS AND REQUEST TO COMPEL PLAINTIFF TO ANSWER DEFENDANTS FIRST ROUND OF INTEROGATORIES AND REQUEST FOR A JURY TRIAL ON ALL MATTERS RELATED TO 2008-CP-40-6656*". Present were the Plaintiff and his Counsel, Stephanie Weissenstein, Defendant, Adrian Falgione, *pro se*, and Defendants James Spencer and Rodney Lail, who are *pro se*.

This case was before the Honorable William H. Seals, Jr. for a hearing on July 11, 2011, for a hearing on several motions, including Plaintiff's motion to quash a subpoena issued against him at the behest of Defendant James Spencer. The subpoena which was the subject of that hearing and the requests for production which Mr. Spencer seeks to compel includes several of the same documents.

SCANNED

There is a long-standing rule in this State that one judge of the same court cannot overrule another. *Tisdale v. Amer. Life Ins. Co.*, 216 S.C. 10, 56 S.E.2d 580 (1950); *Dinkins v. Robbins*, 203 S.C. 199, 26 S.E.2d 689 (1943). Therefore, IT IS HEREBY ORDERED THAT Mr. Spencer's motion to compel the production of documents included in the subpoena is **Denied**[1].

The Court understands that Defendant Doris Holt is now deceased. Plaintiff Rakowsky, Defendant Falgione, Defendant Spencer and Defendant Lail consent to Doris Holt's estate being substituted as the real party at interest. The substitution of the estate is **Granted**.

IT IS SO ORDERED.

James R. Barber, III
Judge for the 5th Judicial Circuit

October 18, 2011
Richland County

[1] By the same written motion, Mr. Spencer also requested a jury trial. That issue was not addressed at the hearing.

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT
CASE NO.: 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

vs.

Adrian L Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing and Glenn W. Harrison,

Defendants.

ORDER DENYING MOTION TO COMPEL

RICHLAND COUNTY
FILED
2012 JUL 19 PM 4:36
JEANETTE W. McBRIDE
C.C.P. & G.S.

This matter came before me on July 19, 2012 at 9:30 AM, for hearing on *pro se* Defendant Irene Santacroce's "*Motion to Compel of Defendant Irene Santacroce*". Present were the Plaintiff's counsel, Stephanie Weissenstein and Desa Ballard. At the Court's instruction, the Bailiff, in the main hallway, called for Ms. Santacroce and other interested parties. None appeared.

Counsel for Plaintiff introduced into the record two prior orders of this Court addressing discovery. First, the order of Honorable William H. Seals, Jr., filed on August 3, 2011, quashed a subpoena for records in this matter. Judge Seals found that the materials requested by the subpoenas issued by *pro se* Defendant James Spencer on February 10, 2011 "are privileged financial records belonging to Plaintiff or his counsel, and the request is overly broad, unduly burdensome and is not likely to lead to admissible evidence" and there is no question of fact warranting discovery of these materials. Also, by Order dated October 18, 2011, Judge James Barber ruled that "there is a long-standing

rule in this State that one judge of the same court cannot overrule another," and he denied Mr. Spencer's motion to compel answers to Interrogatories and Requests for Production.

By her motion, Ms. Santacroce, the co-defendant of Mr. Spencer herein, seeks to compel answers to discovery seeking similar documents and answers similar to that which have already been denied by this Court.

Ms. Santacroce's Motion to Compel is hereby DENIED.

IT IS SO ORDERED.

Roger L. Couch
South Carolina Circuit Court Judge

July 19, 2012
Richland County

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2008 CP-40-6656

John R. Rakowksy

PLAINTIFF(S)

Adrian Falgioine, James Spencer, Irene Sanstacroce, et al

DEFENDANT(S)

Submitted by: Stephanie Weissenstein

Attorney for : ☒ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

FILED
RICHLAND COUNTY
2012 JUL 19 PM 4:36
JEANETTE W. McBRIDE
C.C.P. & G.S.

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ **ACTION DISMISSED** *(CHECK REASON)*: ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ **ACTION STRICKEN** *(CHECK REASON)*: ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** *(CHECK APPLICABLE BOX)*: ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☒ See attached order (formal order to follow) ☐ Statement of Judgment by the Court: Motion to compel DENIED.

ORDER INFORMATION

This order ☐ ends ☒ does not end the case.
Additional Information for the Clerk:

INFORMATION FOR THE JUDGMENT INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
		$
		$
		$

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**

Circuit Court Judge | 2135 Judge Code | 7/19/12 Date

For Clerk of Court Office Use Only

This judgment was entered on the day of , 20 and a copy mailed first class or placed in the appropriate attorney's box on this day of , 20 to attorneys of record or to parties (when appearing pro se) as follows:

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

CLERK OF COURT

Court Reporter:

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT
CASE NO.: 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

vs.

Adrian L Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing and Glenn W. Harrison,

Defendants.

ORDER

RICHLAND COUNTY
FILED
2014 JAN 10 PM 2:12
JEANETTE W. McBRIDE
C.C.P. & G.S.

This case has been assigned to me by Chief Administrative Judge Manning for final disposition. The case was on the non-jury docket for the week beginning December 16, 2013. A pretrial conference was held before me on December 17, 2013. Present for the Plaintiff John Rakowsky was Desa Ballard. Michael Sribnick appeared for defendants Irene Satacroce and Rodney Lail. Defendant James Spencer was present *pro se*, with his assistant Robert Wadley. No other parties appeared. Defendant Spencer advised the court he was also appearing on behalf of the Estate of Doris Holt, for which he is the duly-appointed personal representative. I find that Mr. Spencer is not permitted to appear in this action on behalf of the Estate of Doris Holt, or on behalf of any party other than himself individually.

Mr. Sribnick has only recently appeared as counsel for Ms. Santacroce and he moved for a continuance of the trial for a period of sixty-days to enable him to become familiar with the case. Over Plaintiff's objection, the motion is granted.

Defendant James Spencer indicated there are motions pending which must be resolved prior to trial. Within 15 days of service of this order upon him by either the Clerk of Court or Ms. Ballard, Mr. Spencer shall provide to the undersigned, and serve on all counsel of record and all non-defaulting parties, a list identifying all motions he contends are unresolved, along with file-stamped copies of each motion. No later than January 25, 2014, Mr. Spencer shall file with the court and serve all parties a memorandum in support of the motions he contents remain outstanding. Any party may thereafter file a memorandum in opposition to Mr. Spencer's within ten (10) days after service upon him/her of Mr. Spencer's memorandum.

The court will determine whether oral argument is necessary to decide any pending motions and will issue its order accordingly. Since the undersigned is not assigned to Richland County on a consistent basis, counsel and the parties agreed that any hearing may be held wherever the undersigned is holding court, or at such other location as the court may designate. The court may determine that no hearing is necessary on the motions and may therefore decide the motions without oral argument.

Trial of this matter shall be concluded no later than the end of March, 2014 at such location as the undersigned shall designate.

IT IS SO ORDERED.

Honorable Doyet Early
Judge for the 5th Judicial Circuit

~~December~~ Jan 7, 2014
~~Richland County~~

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS
Case No. 2008-CP-40-6656

John R. Rakowsky

Plaintiff,

vs.

Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson, on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene Chewing, and Glenn W. Harrison,

Defendants,

RECEIVED
MAY 04 2015
SC Court of Appeals

ORDER GRANTING PARTIAL RELIEF

RICHLAND COUNTY FILED
2014 JUN 27 PM 2:30
JEANNETTE W. McDONALD C.C.P. & G.S.

Plaintiff seeks an order directing the distribution of advanced litigation funds that remained in his possession after his representation of certain parties in a prior matter ended. The pleadings also seek an interpleader regarding settlement proceeds from the prior matter, but that matter is not ripe for determination, as explained below. This order addresses only that part of the action that seeks a determination as to the proper distribution of remaining litigation funds.

This case was assigned to me for all purposes by order of the Chief Administrative Judge, L. Casey Manning filed on December 17, 2013. Following a status conference on that date, I issued an order dated January 10, 2014 outlining the procedure to be followed by the parties in preparing to adjudicate all remaining matters. Defendant Spencer, who is *pro se*, complied with the directives of the January 10, 2014 order by filing and serving a memorandum which was clocked on January 27, 2014. Plaintiff filed a responsive memorandum.

A hearing convened on all motions on February 25, 2014. Based on the memoranda submitted to me in advance of the hearing, it appeared that one aspect of this matter is premature. The interpleader sought to interplead two categories of funds: settlement funds from the

settlement of an earlier civil matter, and remaining funds which had been advanced for the use of the plaintiffs in that earlier civil litigation. At that time, the Court ruled that the lack of finality as to settlement funds prevented that issue from being addressed at this time.

SOUTHERN HOLDINGS LITIGATION

The earlier civil action, Southern Holdings Inc. *et al.* v. Horry County *et al.*, Civil Action No. 4:02-cv-1859-RBH (hereafter "the Southern Holdings case"), was filed in the United States District Court for the District of South Carolina by a number of plaintiffs, some of whom are defendants in this case. The Southern Holdings case was resolved when a settlement agreement was stated on the record before United States District Court Judge R. Bryan Harwell on May 9, 2007. (Doc. 475). Plaintiff John Rakowsky (hereafter "Rakowsky") and attorney Adrian Falgione, who practices law under the corporate entity defendant The Law offices of Adrian L. Falgione, LLC, were counsel of record in the Southern Holdings case at the time of settlement.

Since that time, numerous motions have been filed in the District Court (and at the Fourth Circuit Court of Appeals) by one or more of the then-plaintiffs attempting to set aside the settlement. The most recent motion challenging the settlement was filed on January 6, 2014 (Doc. 775) and remains pending. For that reason, the portion of the matter pending before this Court with reference to the proceedings from the settlement in the Southern Holdings case is premature.

ISSUES TO BE ADDRESSED

The issues regarding the settlement funds are framed by the Second Amended Complaint filed December 3, 2010[1]. The defendants who have responded to the Second Amended Complaint and are active parties to the matter at this time are The Law Offices of Adrian L.

[1] Earlier proceedings involved multiple other defendants, who either defaulted or were dismissed from the action

Falgione, LLC (see order filed December 2, 2011[2]), Horry County (Answer dated December 29, 2010), James Spencer (hereafter "Spencer"), Estate of Doris Holt[3] (hereafter "Holt") Nick Williamson on behalf of RSC (hereafter "RSC"), Rodney Keith Lail (hereafter "Lail"), Irene Santacroce (hereafter "Santacroce"), Marguerite Stephens (hereafter "M. Stephens") and Ricky Stephens (hereafter "R. Stephens").

Spencer, Holt, RSC, Lail, Santacroce, M. Stephens, and R. Stephens filed a *pro se* answer which was clocked in on January 18, 2011[4]. In their *pro se* answer those defendants asked that the Court deny the interpleader. The *pro se* answer also asserted that the remaining litigation funds "were solely advanced by 'RSC,' under the written condition that such funds were to be expended only under the specific direction of Defendant Spencer. *Id.* @ ¶ 10. Those "defendants seek the release of the entire amount of litigation funds. . ." *Id.* ¶ 16. Their prayer for relief also demanded an accounting of litigation funds and further demanded that all money in the possession of Rakowsky (both the settlement funds and the remaining litigation funds) "be transferred forthwith into the trust account of the captioned Defendants' self designated legal counsel." *Id.* @ p. 6 of 8. The "self designated legal counsel" was not identified in the *pro se* answer filed by Spencer, Holt, Williamson[5], Lail, Santacroce, Sanders and Stephens. A Notice of Appearance on behalf of Holt, Lail and Santacroce was later filed by attorney Michael G.

---

2 This order substituted the defendant originally named, Adrian L. Falgione, for his law firm, The Law Offices of Adrian L. Falgione, LLC.

3 Doris Holt was originally named as a defendant. She died during this litigation. By order dated October 18, 2011, Judge James R. Barber III substituted the Estate of Doris Holt as a party in place of Doris Holt.

4 Portions of the *pro se* answer were stricken by order of Judge Seals dated July 25, 2011.

5 Spencer, Holt and Williamson had earlier requested that the remaining litigation funds be released by "certified check" to "the trust fund of Singleton, Burroughs, and Young P.A. to be credited in the name of Irene Santacroce and James Spencer for use as directed by James Spencer." Motion for Court to Order Immediate Release of Funds, filed October 20, 2008). The file does not reflect the consent of any other defendants. The 2011 answer to second amended complaint requested the release of the remaining funds to Spencer, Holt, RSC, Lail, Santacroce, M. Stephens, and R. Stephens.

DAE
#3

Sribnick on December 9, 2013. Sribnick filed an "objection" to the interpleader dated January 26, 2014.

At the motion hearing on February 25, 2014, the Court heard argument from counsel for Rakowsky, Falgione, Horry County, Holt, Lail and Santacroce, and from Spencer, who continues to appear *pro* se. The Court also had the benefit of detailed filings by Spencer and Rakowsky. The Court took the following matters under advisement:

A. Motion to Release Uncontested Litigation Funds, filed October 20, 2008

B. Motion for Jury Trial, filed July 14, 2011

C. Motion to Amend Answer and Counterclaim, filed August 29/30, 2011

D. Motion for Sanctions (against attorney Stephanie Weissenstein) filed December 20, 2011.

Spencer and Sribnick also argued they should be entitled to discovery, although no formal motion for that relief had been filed. That request was denied, without prejudice, and the issue may be raised again when and if the Southern Holdings case is concluded, unless the request to interpleader funds is mooted by the District Court's ruling. However, the Court directed Rakowsky and Falgione to provide affidavits and evidence detailing the receipt and disbursement of all litigation funds that were advanced for the Southern Holdings litigation so the Court could rule on the pending Motion to Release Uncontested Litigation Funds filed October 20, 2008.

By email to the counsel and Spencer on February 27, 2014, the Court required "affidavits and evidence of all monies paid to Plaintiff's counsel in the original lawsuit for litigation expenses be provided to the Court no later than 10 days prior to hearing."

DAE #4

The hearing on the Motion for Release of Uncontested Litigation Funds was originally scheduled to be held on April 28, 2014. However, Spencer notified the Court he had been served with a subpoena requiring his presence in federal court at a time that would conflict with the April 28, 2014 hearing. The hearing was postponed to June 4, 2014.

After receiving the submissions from Rakowsky and Falgione, the Court notified counsel and Spencer that the June 4, 2014 hearing was not necessary and an order would be issued releasing the balance of litigation funds to Mr. Spencer.

This Court's mandate to the parties to provide an accounting of litigation funds provided to Rakowsky and/or Falgione lies in equity. In ruling upon the Motion for Release Uncontested Litigation Funds, filed October 20, 2008, the Court makes the following findings and conclusions.

FINDINGS OF FACT[6]

I make the following findings of fact by the preponderance of the evidence.

1. In his capacity as one of the Plaintiff's counsel in the Southern Holdings case, Rakowsky received the proceeds of loans from two (2) different entities for use as litigation funds on behalf of the plaintiffs.
2. Rakowsky received the sum of forty-two thousand, five-hundred dollars ($42,500.00) from LFC 101, LLC a/k/a LitFunding. (Affidavit of Mara Ballard, Exhibit A, pp. 5-9; p. 28). These funds were deposited into Rakowsky's law firm IOLTA account at Security Federal Bank on June 21, 2005. *Id.* @ pp. 7-9.
3. These funds were paid to Rakowsky following his execution of a "Contingent

[6] These findings of fact are made from the submissions provided by Adrian Falgione dated April 11, 2014, of John Rakowsky and Mara Ballard filed May 28, 2014 and the Declaration of Spencer dated May 24, 2014. The Court also had the benefit of the entire file of this litigation.

DAE
#5

Advance and Security Agreement" signed by him on June 20, 2005. The loan agreement contains a "Client Consent Form" signed by James Spencer authorizing the payment to Rakowsky. *Id.* @ p. 18.

4. The Security Agreement identifies the loan proceeds for use of "plaintiff's" costs in "the lawsuit." The lawsuit is defined in the agreement, by name and case number, as the Southern Holdings litigation. *Id.* @ p. 11. The agreement identifies the plaintiff in the lawsuit as "James Spencer, et al." *Id.*

5. The Security Agreement indicated the loan from LitFunding was in the amount of $50,000.00, although Rakowsky received only $42,500.00. Spencer[7] requested by letter to LitFunding dated June 16, 2005 that $7,500.00 of the loan proceeds be paid to "1st Choice Funding" and "send to my attorney the remaining balance of $42,500.00." *Id.* @ p. 27.

6. Section 3 of the Security Agreement gave LitFunding a "first priority lien" on the loan proceeds. *Id.* @ 12.

7. Rakowsky received another $25,000.00 in litigation funding from Resolution Settlement Corporation (hereafter "RSC"), also in June, 2005. *Id.* @ pp. 29-32. These proceeds were generated as a result of a loan agreement between RSC and "Southern Holdings, James Spencer et al." Rakowsky was listed as the mailing address for Spencer. *Id.* @ p. 33.

8. Paragraph 6 of the RSC agreement provides that the borrowers' attorney (Rakowsky) is aware of the agreement, but assumes no liability for complying with it. "[Borrower]'s attorney is solely and merely following [borrower]'s

[7] The letter of instruction from Spencer to LitFunding is from "Brian Spencer." Rakowsky represents, and Spencer does not dispute, that he is the same person as Brian Spencer.

DAE
#6

instructions . . . attorney is making neither representation no guarantee, inferred, expressed or implied, concerning either merits or value of the claim. . . attorney assumes no affirmative duties herein other than ministerial obligations of disbursement, and conveying information contained herein." *Id.* @ p. 35, ¶ 7. Rakowsky therefore had no duty to RSC.

9. The check from RSC was made payable to "John Rakowsky and J. B. Spencer" and was endorsed for deposit by "John Rakowsky and James Brian Spencer." *Id.* @ p. 31. The full $25,000.00 was deposited into Rakowsky's IOLTA account at Security Federal on June 29, 2005. *Id.* @ pp. 29-32.

10. Rakowsky received no other funds from any other source for the expenses of the Southern Holdings case. The total litigation funding received by Rakowsky was $67,500.00. Rakowsky received no advanced litigation funds from LawMax.

11. The Law Max funds were paid either to James Spencer or to his former attorney, Ronald N. Serota. Rakowsky signed a document confirming his knowledge of the loan, but he did not receive any of the funds.

12. Falgione received no advanced litigation funds from any source for the Southern Holdings case. He was reimbursed for legitimate case expenses for costs incurred for the Southern Holdings case on two occasions by Rakowsky from the advanced litigation funds held in Rakowsky's IOLTA account. (Affidavit of Adrian Falgione, ¶ 14).

13. Rakowsky used the advanced litigation funds to make payments for litigation costs in the Southern Holdings case in the amount of $57,644.14. (Affidavit of Mara Ballard, p. 4; Affidavit of John Rakowsky). Copies of the checks issued

DAE
#7

from Rakowsky's IOLTA account for the expenditures made from the Southern Holdings funds have been presented to and reviewed by the Court. (Affidavit of Mara Ballard, pp. 42-43; pp. 50-53; pp. 55-57; p. 59; p. 61; p. 68-70; p. 72; pp. 74-76; pp. 78-79; pp. 85-93; p. 96; pp. 99-105; p. 107; p. 109; pp, 111-112; pp. 114-116; pp. 118-119). Rakowsky's submission also contains copies of invoices and receipts for expenditures made from the advanced litigation funds.

14. As stated above, the Southern Holdings case was settled on the record before United States District Judge R. Bryan Harwell on May 7, 2005. However, the settlement may not be final because of multiple post-settlement filings by Spencer and others.

15. In light of his former clients' rejection of the settlement, Rakowsky retained attorney Desa Ballard to assist him with handing both the settlement proceeds and the remaining litigation funds. The remaining litigation funds in the amount of $9,855.55 were paid into Ms. Ballard's trust account, as were the $55,000.00 settlement proceeds paid by the defendants in the Southern Holdings case. *Id.* P. 124. An effort to interplead the funds into the United States District Court was denied.

16. This interpleader action was filed on September 12, 2008. Among the defendants named and served, who later defaulted, was Law Max Legal Finance and Litfunding USA. Law Max and Litfunding defaulted[8]. The complaint was amended several times, to delete defendants and add others, with the last and operative complaint being the Second Amended Complaint filed on December 3,

[8] Order of Default Judgment filed July 12, 2011. Also held in default by that order were defendants Southern Holdings Inc., Ronald Serota, David Smith, Harold Hartness, Eugene Chewning Jr., Glenn Harrison and Michael Hartness. *Id.*

DAE #8

2010.

17. RSC was not named as a defendant in the original or any of the amended complaints. However, RSC appeared in this action by filing an answer (in conjunction with Spencer and other *pro se* parties) clocked on January 18, 2011. No objection was raised to RSC's participation in this case.

18. Rakowsky has properly documented the disbursements of the $67,500.00 he received as advanced litigation funds for the Southern Holdings case. At the time his former clients repudiated the settlement, Rakowsky still held $9,855.55 of the advanced litigation funds. The funds were not sequested, however, so it is unknown whether the remaining litigation funds came from the RSC loan, or from the LitFunding loan.

19. In accordance with his obligations under Rule 1.15 of the Rules of Professional conduct, Rakowsky's obligation, when holding funds to which multiple claims are made, was to file this interpleader action.

20. After the litigation was filed, an additional litigation expense was brought to Rakowsky's attention. Ms. Ballard confirmed this was a legitimate expense of the litigation and on December 18, 2008, Ms. Ballard paid from the remaining litigation an invoice from Eugene G. Chewning., Jr., PhD. After the payment to Chewning, the balance of the litigation funds which remain are $7,691.78.

21. Spencer has claimed these funds are "undisputed" and should come to him, but the file does not reflect any affirmative claim by him to these funds[9] other than in

[9] As indicated, the answer to the second amended complaint asked that the remaining litigation funds be paid to "the captioned Defendants *(sic)* self *(sic)* appointed lawyers trust." The identity of that person does not appear from any pleadings. The earlier 2008 motion requested release of the funds to Spencer, Holt and Williamson. *See* footnote 5, *supra*.

DAF
#19

concert with other defendants. Spencer relies on discussions that occurred at one or more status conferences with Judge James Barber. However, the earlier claims for distribution of the remaining litigation funds make conflicting requests as to whom the funds should be released.

CONCLUSIONS OF LAW

22. Rakowsky properly filed this interpleader seeking the court's direction as to the proper distribution of the remaining advanced litigation funds.

23. James B. Spencer moves to have the remaining litigation funds released to him. While the pleadings make conflicting claims as to whom the funds should be released, it appears the loans which generated the proceeds that were advanced to Rakowsky were initiated by James B. Spencer and he may have some residual obligations on those loans. That matter is not before me.

24. Rakowsky disbursed litigation funds from the $67,500.00 received by him via loans from litigation companies for expenses related to the Southern Holdings litigation. The issues before the Court did not require an accounting of those funds, but at the request of the Court, Rakowsky submitted an accounting that fully supports the disbursements made.

25. The remaining litigation funds in the amount of $7,691.78 may be released to James B. Spencer and Rakowsky is relieved and discharged of any obligation to hold the remaining litigation funds or to account therefore.

26. Such disbursement shall be made after time for appeal of this order shall have passed. Should an appeal be filed, the funds shall not be released until final order of the appellate court.

DAE
#10

27. By taking possession of these funds, James B. Spencer shall indemnify and hold harmless all other parties to this action as well as their attorneys, agents, assigns, successors, heirs, representatives and insurers from any and all claims, demands, causes of actions, payments, bills, charges, expenses or subrogated interests as may be asserted in against any funds which were advanced to Rakowsky as litigation funds for the Southern Holdings litigation.

28. The Court reserves ruling on the Motion for Jury Trial, filed July 14, 2011, Motion to Amend Answer and Counterclaim, filed August 29/30, 2011, and Motion for Sanctions (against attorney Stephanie Weissenstein) filed December 20, 2011.

THEREFORE, IT IS ORDERED:

A. Plaintiff is authorized and directed to release to James B. Spencer the balance of litigation funds in the amount of $7, 691.78 as set forth herein.

B. Such disbursement shall not occur until the time for appeal of this order has expired, and this order becomes final.

C. Upon receipt of the remaining litigation funds, James B. Spencer shall be obligated to indemnify and hold harmless all other parties to this action as well as their attorneys, agents, assigns, successors, heirs, representatives and insurers from any and all claims, demands, causes of actions, payments, bills, charges, expenses or subrogated interests as may be asserted in against any funds which were advanced to Rakowsky as litigation funds for the Southern Holdings litigation.

D. Rakowsky is released from all responsibility for the remaining litigation funds or

DAE
#11

any claims thereto.

E. The undersigned retains jurisdiction of the remaining portion of this action which seeks an interpleader as to the settlement funds from the Southern Holdings case once the federal court action is final.

IT IS SO ORDERED.

Doyet A. Early III
Circuit Court Judge

June 13, 2014

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS
Case No. 2008-CP-40-6656

John R. Rakowsky

Plaintiff,

vs.

Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson, on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene Chewing, and Glenn W. Harrison,

Defendants.

RECEIVED
MAY 04 2015
SC Court of Appeals

RICHLAND COUNTY
FILED
2014 DEC 23 AM 9:58
JEANNETTE W. McBRIDE
C.C.P. & G.S.

FINAL ORDER GRANTING INTERPLEADER AND RELATED RELIEF
(Concludes case)

This order addresses all remaining issues pending before the Court in this matter. Plaintiff Rakowsky's request for interpleader and equitable distribution are granted as set forth herein.

By prior order dated June 23, 2014, filed June 27, 2014, this Court directed the distribution of remaining litigation funds, which concluded one aspect of the litigation presented by this interpleader action. Certain parties objected to the order and by email dated July 10, 2014, I gave everyone an opportunity to submit a proposed order[1]. Defendant James Spencer ("Spencer") submitted a proposed order. By order dated September 9, 2014, I declined to vacate the June 23, 2014 order.

Plaintiff Rakowsky (hereafter "Rakowsky") complied with the order and issued a check to James Spencer for the remaining litigation funds. Spencer acknowledges receipt of the check. Certain defendants represented by attorney Michael Sribnick have appealed that order to the South

[1] No motions were filed pursuant to Rule 59 or Rule 60, but because the June 23, 2014 Order had not been copied to all parties prior to its issuance, I gave everyone an opportunity to submit proposed orders on the issues addressed by the June 23, 2014 order.

SCANNED

Carolina Court of Appeals. The appeal does not divest this Court of jurisdiction to address the remaining issues, which are unaffected by the appeal. Rule 205, SCACR.

The remaining issue before the Court relates to the Rakowsky's request to interplead settlement funds received by him, in his capacity as co-counsel for the then-plaintiffs, in a prior matter pending in the United States District Court for the District of South Carolina. He has also requested equitable indemnification for his fees and costs in bringing and pursuing this action.

By order dated July 9, 2014, this Court required that Rakowsky submit his brief on the remaining issues no later than July 25, 2014. He did so. No other party filed brief in response to the scheduling order. Instead, certain defendants filed "Omnibus Motions" which were heard by the Court on August 20, 2014 and denied by Form 4 order dated September 10, 2014.

By email dated September 12, 2014, my law clerk notified all parties to submit proposed orders no later than October 1, 2014. Rakowsky's counsel requested an extension until October 6, 2014 because she was in trial, and that request was granted. Sribnick requested another delay, claiming he did not understand what proposed orders were being requested. My law clerk responded to Sribnick by email dated October 4, 2014, again advising on the topic of the request for proposed orders. Since that time, I have received numerous letters, emails and filings by either Sribnick or Spencer arguing various positions, none of which have merit. Spencer has attacked the integrity of the Court and the judicial process and, while not expressly saying so, seems intent on provoking the undersigned into recusing himself from the case.

This court has no bias against Spencer or any of the parties, including those who previously represented themselves as *pro se* and who are now represented by Sribnick. Spencer's apparent belief that this court's prior rulings, which disagree with his position, somehow evidence prejudice by this court, are simply wrong. Silvester v. Spring Valley Country Club, 344 S.C. 280, 543 S.E.2d

TMBE
#2

563 (Ct.App. 2001). This court has carefully considered all arguments made by all parties and has addressed all matters presented based solely on the evidence and the law. This Court has permitted procedural leniency for Spencer based on his *pro se* status, and has construed every reasonable inference in his favor. The record in this case reflects that every judge who has heard anything in this matter has given Spencer (and the other *pro se* litigants) every benefit of every doubt and listened most carefully to all arguments. Pollard v. United States, 352 U.S. 354 (1957)(*Pro se* litigants are held to less stringent standards than pleadings drafted by lawyers.) *See also* Erickson v. Pardus, 551 U.S. 89 (2007). This Court has done the same.

I gave all parties until October 26, 2014 to submit proposed orders on the remaining issues, which are Rakowsky's request for interpleader and his motion for equitable indemnification, seeking attorney fees for the pursuit of this action. This order rules upon the last remaining issues arising from Spencer's 14 years of litigation following his 2000 arrest in Horry County, South Carolina.

History

In a prior action in United States District Court for the District of South Carolina, Rakowsky and Falgione served as counsel for Southern Holdings Inc., Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, and Doris Holt (hereafter referred to as "the Southern Holdings plaintiffs"). That case, Southern Holdings Inc. *et al.* v. Horry County *et al.*, Civil Action No. 4:02-cv-1859-RBH (hereafter "the Southern Holdings case"), was resolved when a settlement agreement was stated on the record before United States District Court Judge R. Bryan Harwell on May 9, 2007. (Doc. 475).

Since that time, numerous motions have been filed in the District Court (and at the Fourth Circuit Court of Appeals) by one or more of the Southern Holdings plaintiffs attempting to set

TMC
#3

aside the settlement. United States District Judge Bryan Harwell has issued numerous orders confirming that the settlement is final, the latest of which was filed on June 11, 2014 (Doc. 788) While an appeal has been filed with the United States Court of Appeals for the Fourth Circuit (Spencer v. Horry County, No. 14-1666), no stay has been requested or issued. Fed. R. App. P. 8(a)(1). The finality of the 2007 settlement is clear, as a matter of law, and no stay is in effect.

During the litigation of this proceeding, certain of the defendants, primarily James B. Spencer (Spencer) and other defendants now represented by Michael Sribnick, Esquire, have attempted to collaterally challenge the settlement in the Southern Holdings case, attempting to engage in discovery to try to prove the settlement was not authorized or is not enforceable. The finality of the settlement is not before the Court. To the extent that it is raised (and will continue to be raised), the finality of the settlement cannot be challenged in this proceeding. Spencer and Sribnick are collaterally estopped from challenging the finality of the settlement in this proceeding. Nelson v. OHG of South Carolina Inc., 354 S.C. 290, 580 S.E.2d 171 (Ct. App. 2003).

Additionally, Spencer, *et al.* also sued Rakowsky and Falgione for legal malpractice, alleging that their consent to the settlement of the Southern Holdings case was "coerced." Spencer *et al.* v. Rakowsky *et al.*, Case No. 2011-CP-40-5384 (Richland County Court of Common Pleas, Complaint dated August 15, 2012, ¶ 43)[2]. That action was dismissed pursuant to Rule 12(b)(6) by order of the Circuit Court filed August 23, 2013. The finality of that case also operates as collateral estoppel, and prevents this Court from considering the repeated arguments that the Southern Holdings case was not settled or was not authorized to be settled. The significance of the legal malpractice lawsuit, however, is that Spencer and certain of his associates acknowledged the

[2] The legal malpractice action was transferred to Lexington County, where it was assigned Case No. 2012-CP-32-03428. Inquiry to C-Track indicates that the appeal in that case has been dismissed numerous times but at present has been reinstated.

TMBE

settlement occurred; they claimed their consent to the settlement was "coerced." *Id.* They, therefore, acknowledge the settlement occurred.

Lastly, the United States District Court for the District of Columbia has noted the finality of the settlement in the Southern Holdings case. While Rakowsky and Falgione were not parties to that action, Spencer was a plaintiff, as were Sribnick's clients. Lail, et al. v. U.S. Gov't, 771 F.Supp.2d 49 (D.D.C. 2011).

Interpleader Generally

The United States District Court for the District of South Carolina has held that the jurisdiction in an interpleader action can extend only to the funds sought to be deposited in court and "cannot embrace . . . issues of liability that go beyond the fund." Preferred Risk Mutual Insurance Co., v. Greer, 289 F.Supp. 261 (D.S.C. 1968). Thus, the multiple efforts by Spencer and others to introduce collateral issues is barred by procedural precedent, even if collateral estoppel did not prevent the attempts to litigate issues related to the settlement itself.

The only issue which remains for determination is Rakowsky's request that the settlement funds in the amount of $55,000.00 be paid into the Court. Only one claim has been filed in this action against the funds, that being Rakowsky's claim (to be shared with Falgione) for $22,000.00, which constitutes a forty-percent (40 %) attorneys' fee from the settlement proceeds. Rakowsky also seeks an award of equitable indemnification to recover from the net settlement funds (after payment of the $22,000.00 attorney fees due to him and his co-counsel Falgione from the original settlement) his attorney fees in bringing this action and pursuing it to conclusion.

Notably, neither Spencer nor any other defendant has filed any claim to the $55,000.00 settlement proceeds.

MMC
#5

Motions Which Remain Pending

At a motion hearing on February 25, 2014, the Court heard argument from counsel for Rakowsky, Falgione, Horry County, Holt, Lail and Santacroce, and from Spencer. The Court also had the benefit of detailed filings by Spencer and Rakowsky. The Court took the following matters under advisement[3]:

A. Motion for Jury Trial, filed July 14, 2011;

B. Motion to Amend Answer and Counterclaim, filed August 29/30, 2011; and

C. Motion for Sanctions (against attorney Stephanie Weissenstein) filed December 20, 2011.

In addition, Rakowsky filed a Motion for Equitable Indemnification dated July 24, 2014. That motion has not been argued and no response to that motion has yet been filed. Rakowsky reserves the right to reply to any responses that may be filed to that motion, by supplemental memorandum.

A. Motion for Jury Trial, filed July 14, 2011

A request for jury trial must be made "not later than 10 days after the service of the last pleading directed to such issue." Rule 38(b), SCRCP. The last operative pleading is the "Certain Defendants' Response to John Rakowsky Second Amended Complaint for Interpleader" filed January 18, 2011[4]. No request for jury trial was made in that filing, and none had been made previously. The request filed July 14, 2011 was untimely and is denied. Shaw v. Atlantic Coast Life Insurance Co., 322 S.C. 139, 470 S.E.2d 382 (Ct. App. 1996).

---

[3] The motion regarding the "uncontested" litigation funds was resolved by this Court's order dated June 23, 2014.

[4] The counterclaims and other material were stricken from this pleading by order of Judge Seals dated July 25, 2011.

B. Motion to Amend Answer and Counterclaim, filed August 29/30, 2011

By motion dated August 30, 2011, certain defendants[5] (Spencer, Estate of Doris Holt, Irene Santacroce, Ricky Stephens, Marguerite Stephens, and Rodney Lail) moved to amend their Answer to Second Amended Complaint for Interpleader. The argument made in the Motion to Amend falls into three (3) categories:

1. Arguments about alleged wrongs done to Doris Holt prior to her death;
2. A desire to add counterclaims based on discovery of "evidence (after July 12, 2011) supporting counter claims *(sic)* against the Plaintiff. . .", and
3. Counterclaims aimed at vacating Judge Seal's order dated July 25, 2011.

1. Alleged wrongs done to Doris Holt

With reference to the alleged wrongs done to Doris Holt prior to her death, Spencer has already litigated these claims against other parties in his lawsuit in the District of Columbia, and lost them when the District Court issued its ruling on March 24, 2011. *See* Lail v. United States Government, *supra*.[6] Collateral estoppel prevents the assertion of any claims on behalf of the Estate of Doris Holt for her alleged mistreatment in connection with her treatment while in the custody of the Department of Social Services. Nelson v. QHG of South Carolina Inc., *supra*.

2. Counterclaims based on discovery of "evidence (after July 12, 2011) supporting counter claims *(sic)* against the Plaintiff. . ."

At the time of the motion to amend, Spencer and the Estate of Doris Holt had recently filed (on August 15, 2011) an entirely separate lawsuit against Rakowsky and Falgione asserting legal

[5] The original Answer to Second Amended Complaint was also filed by Nick Williamson on behalf of RSC. He was not listed as a moving party in the motion to amend.

[6] While the decision in Lail v. United States Government lists only Rodney Lail as the plaintiff in that action, the PACER record reflects that the "*et al.*" plaintiffs included Spencer and The Estate of Doris Holt. The District Court's order of March 24, 2011 denies "plaintiff's motion for leave to file a third amended complaint." *Id.*

TOOE
#7

malpractice in Richland County (Case No. 2011-CP-40-5384), to which no responsive pleadings had yet been filed[7]. Spencer and the Estate had the opportunity to amend that action as a matter of right to assert any claims they wanted to against Rakowsky pursuant to Rule 15, SCRCP. It is completely illogical to seek to amend an answer, where the precise counterclaims had already been stricken, when a brand new action had only been filed days earlier and the claims could have been asserted there as a matter of right. The motion is denied.

3. Counterclaims aimed at vacating Judge Seal's order dated July 25, 2011.

Judge Seals' order could have been appealed pursuant to S.C. Code Ann. Section 14-3-330(2)(c). It was not. The striking of the counterclaims, and the procedure which led up to that (which is apparently the basis for Spencer's claims of *ex parte* contact: Judge Seals' review of documents *in camera*) is the law of the case. Spencer is apparently seeking to add counterclaims that somehow challenge Judge Seals' order or the methodology by which he arrived at his decision to strike certain matter from the Answer (to Second Amended Complaint) dated January 18, 2011. Judge Seals' order is final. Nothing can be added to this litigation to change that. This motion is denied.

4. Motion for Sanctions against Attorney Stephanie Weissenstein

The gist of this motion is that Weissenstein, who formerly represented Rakowsky in this action, refused to release "uncontested" litigation funds. As more fully explained in this Court's order dated June 23, 2014, there were never any "uncontested" litigation funds. There were funds that Spencer demanded, but the pleadings and orders in this case establish clearly that he had no

[7] Rakowsky's Motion to Dismiss that lawsuit was not filed until November 3, 2011. Rule 15, SCRCP, permitted Spencer and the Estate to assert whatever claims they wanted to against Rakowsky in the newly-filed legal malpractice action.

right to receive the funds until this court's order of June 23, 2014 was issued. This motion is denied.

Settlement Funds

The issues regarding the settlement funds are framed by the Second Amended Complaint filed December 3, 2010[8]. Horry County has filed an answer to this action, consenting to the interpleader and requesting the execution of a release. The Law Offices of Adrian L. Falgione LLC has also filed an answer consenting to the relief requested.

The other defendants who have responded to the Second Amended Complaint and are parties to the matter at this time are: James Spencer (hereafter "Spencer"), Estate of Doris Holt[9] (hereafter "Holt"), Nick Williamson on behalf of RSC[10] (hereafter "RSC"), Rodney Keith Lail (hereafter "Lail"), Irene Santacroce (hereafter "Santacroce"), Marguerite Stephens (hereafter "M. Stephens"), and Ricky Stephens (hereafter "R. Stephens") (Answer dated January 18, 2011). They oppose "Plaintiff's request to disperse funds in accordance with Plaintiff Rakowsky's Complaint for Interpleader." *Id.* The gist of their position is, as stated above, there was no settlement. That issue has long been determined; the settlement is as final as final can be[11]. None of these parties has filed any claim to the settlement funds.

---

8 Earlier proceedings involved multiple other defendants, who either defaulted or were dismissed from the action.

9 Doris Holt was originally named as a defendant. She died during this litigation. By order dated October 18, 2011, Judge James R. Barber III substituted the Estate of Doris Holt as a party in place of Doris Holt.

10 According to PACER, Williamson was dismissed as a plaintiff in the Southern Holdings litigation in 2004, so he was not a settling party in 2007 when the litigation was settled.

11 Rakowsky doesn't mean to suggest that Spencer and others will not continue litigation, into its 15th year and beyond, but the finality of the settlement in the Southern Holdings case will not change.

TMC
#9

Rakowsky holds a total of $55,000.00 in settlement proceeds for settlement on behalf of seven plaintiffs from the Southern Holdings litigation. He seeks an order of this Court permitting the clerk of court to accept those funds under Rule 22, SCRCP and to release him for liability as to those funds.

Rakowsky also requests that $22,000.00 of the settlement funds be paid to him as attorneys' fees in accordance with his fee contract with his former clients. In his motion filed December 12, 2013, Rakowsky introduced the applicable fee agreements, which support his claim for $22,000.00 in attorney fees. The only opposition to Rakowsky's claim comes from defendants Santacroce and Lail (Objection dated January 26, 2014). Their objection incorporates their argument that there was no settlement, but also argues various other grounds by which Rakowsky's fees should be denied. Primarily, it contains a "Declaration" by Spencer that he drafted the "Addendum" to the fee agreement, and that he didn't intend Rakowsky or Falgione to be paid unless certain circumstances were present. Spencer's declaration cannot be used to vary the terms of the fee agreement.

The fee agreement provides for a 40% contingency fee after trial begins. As repeatedly noted by District Judge Bryan Harwell, when the settlement was placed on the record and in subsequent written orders, the jury had already been impaneled and trial was ready to begin. The addendum to the fee agreement reaffirms the original fee agreement (which included Mark Hardee, who formerly represented the Southern Holdings plaintiffs). The closing paragraph of the original fee agreement provides that Rakowsky will be paid via *quantum meruit* if he is discharged. He has never been discharged as counsel, and Judge Harwell denied his request to be relieved.

Interpleader

MBE
10

Interpleader is an equitable remedy available to a third party when he holds money and it is unclear to whom the money should be paid. Symmes v. Graham, 167 S.C. 290, 166 S.E. 269 (1932). Interpleader provisions should be liberally construed as to best effectuate their purposes. First Union National Bank of South Carolina v. FCVS Communications, 321 S.C. 496, 469 S.E.2d 613 (Ct. App. 1996), *reversed in part* 328 S.C. 290, 494 S.E.2d 429. As long as there is a potential for multiple claims against the funds in question, interpleader is appropriate. *Id.*

Spencer, Holt, RSC, Lail, Santacroce, M. Stephens, and R. Stephens oppose the interpleader on the grounds that there was no settlement. There was a settlement; that much is clearly established. Notwithstanding any allegations to the contrary, and setting aside the collateral estoppel effect of the prior rulings of this and other courts, the Southern Holdings plaintiffs are bound by the settlement that was placed on the record by their attorneys. Arnold v. Yarborough, 281 S.C.570, 316 S.E.2d 416 (Ct. App. 1984).

Rakowsky's motion to interplead the $55,000.00 in settlement proceeds was made necessary by the refusal by his former clients to consummate the settlement; Judge Harwell's orders detail the proceedings following the settlement in glaring detail. The settlement is final. Horry County and the settling defendants in the Southern Holdings action are entitled to its release for payment of settlement funds. Rakowsky is entitled to be relieved of his duty to hold the settlement funds and should be permitted to pay them into court as pleaded in this action, less the $22,000.00 attorney fee to which he is entitled.

Rakowsky's claim for equitable indemnification seeks an award of attorney's fees and costs against Spencer, Estate of Doris Holt, Nick Williamson on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, to the extent the balance of the interpleaded funds is not sufficient to indemnify Rakowsky. He asserts that the

DBE
#11

wrongful efforts of these parties to refute the settlement in the Southern Holdings case made the bringing of this action necessary. There can be little doubt that is true. The orders of Judge Harwell in the District Court case make that abundantly clear. What should have been a simple interpleader action has been made into dramatic, complex, and tortured litigation by Spencer and other defendants. Rakowsky is entitled to his fees and costs for bringing this action to conclusion. Byrd v. Livingston, 398 S.C. 237, 727 S.E.2d 620 (Ct. App. 2012).

Rakowsky has requested reimbursement for attorney's fees in the amount of $_66,172.35 (through the date of filing the motion). Having held Rakowsky is entitled to recover his attorney's fees and costs, this Court must examine that request in light of the factors set forth in *Jackson v. Speed*, 326 S.C. 289, 486 S.E.2d 750 (1997). The billings for time Rakowky's counsel worked on this case are reasonable (and excludes all billing prior to April, 2011) and are in fact modest in light of the work that has been required.

This case was filed in 2008 after Rakowsky attempted to pay the interpleader funds into Federal Court. Since filing this case, Plaintiff's counsel has necessarily filed and defended numerous motions and attended numerous hearings. After nearly six years, the Court's file on this case became so cumbersome, and the procedural history of the case so complex, that the case was assigned to a single judge, the undersigned. Nevertheless, the Court finds the total amount of fees requested should be reduced under the circumstances of this case. While Rakowsky is entitled to an award of attorney's fees and costs, that amount should not exceed the amount of the interpleader funds. I therefore find an award of $33,000.00 is appropriate for Rakowksy's attorney's fees and costs.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED as follows::

A. Rakowsky's Request for Interpleader is granted;

MME
#12

B. Rakowsky shall be paid $22,000.00 in attorney fees from the settlement proceeds for his representation of the Southern Holdings plaintiffs in the Southern Holding litigation. These funds are to be shared with Falgione in whatever division they have agreed upon. Allocation of these funds between Rakowsky and Falgione is not before this Court;

C. Rakowsky's request for equitable indemnification is granted in part. In addition to the award above, Rakowsky shall receive the amount of $33,000.00 as reimbursement toward his reasonable attorney fees and costs incurred by him in bringing and prosecuting this matter to conclusion;

D. Rakowsky's request for judgment for the balance of attorney fees and costs against Spencer and other defendants which are not paid from the $55,000.00 is denied;

E. Rakowsky is discharged from any further obligations regarding the settlement proceeds he received in his capacity as counsel for the Southern Holdings plaintiffs. Any and all claims which might have been made by any persons who are now or have been parties to this action against those funds are extinguished.

F. The Clerk of Court is directed to execute a general release in favor of Horry County and the settling defendants in the Southern Holdings action on behalf of the Southern Holdings plaintiffs, to be prepared by counsel for Horry County. The general release shall release those defendants from claims that were brought or could have been brought in the Southern Holdings litigation.

G. This order concludes this action in its entirety.

IT IS SO ORDERED.

WAE
#13

Doyet A. Early III
Presiding Judge, Fifth Judicial Circuit

~~October~~ December 18, 2014

STATE OF SOUTH CAROLINA) COUNTY OF RICHLAND) John R. Rakowsky) Plaintiff,) vs.) Southern Holdings, Inc., Adrian L. Falgione, Law Max Legal Finance, Litfunding USA, James Spencer, Doris Holt, Rodney Keith Lail, Linda Williamson Lawrence, Ernest H. Morton, Jr., Irene Santacroce, Ronald N. Serota, David Smith, Marguerite Stephens and Ricky Stephens, Michael Steven Hartness, Harold Steve Hartness, and Horry County, South Carolina,) Defendants.)	IN THE COURT OF COMMON PLEAS Case No. _____ **COMPLAINT FOR INTERPLEADER** (Non-Jury)

Plaintiff John Rakowsky, pursuant to Rule 22 of the *South Carolina Rules of Civil Procedure*, herein prays unto this Honorable Court for an order allowing him to pay certain funds in the amount of sixty-four thousand, eight hundred fifty-five dollars and eighty-five cents ($64,855.85) into court and to make a determination of the owners of said funds which are hereby tendered to the Court. In support of the relief sought, plaintiff Rakowsky would show:

1. The Plaintiff John R. Rakowsky (hereafter "Rakowsky") is an attorney in good standing in the state and federal courts of South Carolina.
2. On information and belief, Defendants, Adrian L. Falgione is a citizen and resident of the County of Lexington, State of South Carolina.
3. On information and belief, Doris Holt and James Spencer are citizens and residents of Richland County, South Carolina.
4. On information and belief, Defendants Marguerite Stephens, Ricky Stephens,

Rodney Keith Lail and Irene Santacroce are citizens and residents of Horry County.

5. On information and belief, defendants Linda Williamson Lawrence and Ernest H. Morton are citizens and residents of Albemarle, North Carolina.

6. On information and belief, Defendant Ronald N. Serota is a citizen and resident of Las Vegas, NV.

7. Upon information and belief, Defendant Southern Holdings, Inc. is a corporation organized and existing under the laws of South Carolina.

8. Upon information and belief, Defendant Law Max Legal Finance LLC is a legal entity organized and existing under the laws of a state other than South Carolina.

9. Upon information and belief, Defendant Litfunding USA is a corporation organized and existing under the law of a state other than South Carolina.

10. Upon information and belief, Defendants Michael Steven Hartness and Harold Steven Hartness are citizens and residents of Charlotte, North Carolina. Upon information and belief, Defendant Horry County, South Carolina is a municipality organized and existing under the laws of the State of South Carolina.

11. Previously, Defendants Southern Holdings, Inc., Linda Williamson Lawrence, Ernest H. Morton, Marguerite Stephens, Ricky Stephens, Rodney Keith Lail, Irene Santacroce, Doris Holt and James Spencer (hereafter jointly referred to as "the federal court plaintiffs") were the plaintiffs in an action pending in the United States District Court for the District of South Carolina, entitled Southern Holdings, Inc., et al. v. Horry County, South Carolina, et al., and bearing Case No. 4:02-CV-01859-RBH (hereafter referred to as "the federal court action.").

The federal court plaintiffs had numerous successive counsel, but the most recent counsel to represent them were defendant Falgione (hereafter "Falgione") and plaintiff Rakowsky.

12. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina were defendants in the federal court action, and collectively paid settlement funds to settle the federal court claim.

13. In connection with the litigation of the federal court action, one or more of the federal court plaintiffs advanced funds for costs to be incurred in the federal court litigation. The balance of these funds was eventually held by Rakowsky in trust. At the time of the events described herein, Rakowsky held in trust the sum of nine-thousand eight hundred and fifty-five dollars ($9.855.00) which had not been expended toward litigation costs.

14. In or about May 2007, the federal court plaintiffs authorized Rakowsky and Falgione to enter into a settlement in the federal court action which would provide, *inter alia*, for payment to them of a settlement in the amount of fifty five thousand dollars ($55,000.00). Rakowsky and Falgione communicated the acceptance of settlement to counsel for defendants in the federal court action. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina paid the sum of fifty-five thousand dollars ($55,000.00) to the federal court plaintiffs to consummate the settlement.

15. Falgione and Rakowsky and are entitled to receive a portion of the funds in question as attorneys fees for their services in the federal court action. Defendant John R. Rakowsky, acting as legal counsel for the plaintiffs, now defendants

named above, received the fifty-five thousand dollar ($55,000.00) settlement proceeds in trust from defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina as agents for the plaintiffs.

16. On information and belief, one or more of the plaintiffs in the federal court action thereafter repudiated the settlement and sought various avenues of relief through the federal court action, all of which were denied.

17. During that time, it became known that Defendants Serota, Law Max Legal Finance LLC and Litfunding USA Inc. claimed an interest in the settlement proceeds. On information and belief, Law Max Legal Finance LLC and/or Litfunding USA Inc. (hereafter referred to jointly as "the creditor defendants") may have loaned litigation funds to one or more of the federal court plaintiffs for use in the litigation, but Rakowsky has no knowledge of whether any of the funds held by him (of the nine-thousand eight hundred and fifty-five dollars ($9,855.00) were actually advanced by the creditor defendants.

18. On information and belief, Defendant Serota claims to have provided legal services to one or more of the plaintiffs and further claims to be entitled to some attorney fees from the funds held by Rakowsky. On or about February 21, 2008, Defendant John R. Rakowsky filed a Motion for Deposit of Funds with the United States District Court, Florence Division, which was ultimately denied.

19. On information and belief, the federal court action is concluded, but the federal court plaintiffs repudiated the settlement and the settlement was never consummated. No determination of the ownership of the funds has been made. Rakowsky remains in possession of the sum of sixty-four thousand, eight hundred

fifty-five dollars and eighty-five cents ($64.855.85), which is composed of fifty-five thousand dollars ($55,000.00) in settlement proceeds and nine-thousand eight hundred and fifty-five dollars ($9.855.00) in costs advanced by one or more of the federal court plaintiffs.

20. Rakowsky is informed and believes that the ownership of the funds is in dispute and that one or more of the defendants claims entitlement to all or a portion of the funds currently held by him.

21. Because there exist claims of one or more of the Defendants to the settlement monies in the amount of fifty-five thousand dollars ($55,000.00) as well as claims to the funds for advanced costs in the amount of nine-thousand eight hundred and fifty-five dollars ($9.855.00) being held in trust by the Plaintiff, Plaintiff hereby tenders funds in the amount of sixty-four thousand, eight hundred fifty-five dollars and eighty-five cents ($64,855.85), to the Court for determination and distribution as deemed to be appropriate.

Wherefore, Plaintiff prays for an order permitting the clerk of court to receive the sum of sixty-four thousand, eight hundred fifty-five dollars and eighty-five cents ($64,855.85), until further order of this Court.

Respectfully submitted,

Desa Ballard
Hailey Powers
Law Offices of Desa Ballard
226 State Street
West Columbia, South Carolina 29169

Telephone: 803.796.9299
Facsimile: 803.796.1066
E-mail: desab@desaballard.com
hailey@desaballard.com

ATTORNEYS FOR PLAINTIFF

September 12, 2008.

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE COURT OF COMMON PLEAS
John R. Rakowsky, Plaintiff, -vs- Southern Holdings, Inc., Adrian L.Falgione, Law Max Legal Finance, Litfunding USA, ~~James Spencer~~, ~~Doris Holt~~, ~~Rodney Keith Lail~~, Linda Williamson Lawrence, Ernest H. Morton, Jr., ~~Irene Santaerose~~, Ronald N. Serota, David Smith, ~~Marguerite Stephens and Ricky Stephens~~, Michael Steven Hartness, Harold Steve Hartness, and Horry County, South Carolina, Defendants.	Case No.: 2008-CP-40- **SUMMONS** (non-jury)

TO: **DEFENDANTS NAMED ABOVE:**

YOU ARE HEREBY SUMMONED and required to answer the complaint herein, a copy of which is herewith served upon you, and to serve a copy of your answer to said complaint upon the subscriber, at 226 State Street, West Columbia, South Carolina 29169, within thirty (30) days after the service hereof, exclusive of the day of such service, and if you fail to answer the complaint within the time aforesaid, plaintiff will apply to the Court for the relief demanded in the complaint, by judgment by default.

Hailey Powers

Desa Ballard
Hailey Powers
Law Offices of Desa Ballard
226 State Street
West Columbia, South Carolina 29169
Telephone: 803-796-9299
Facsimile: 803-796-1066
E-mail: desab@desaballard.com
hailey@desaballard.com
ATTORNEYS FOR PLAINTIFF

September 12, 2008

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

CIVIL ACTION COVERSHEET

2008-CP -40-4050

John R. Rakowsky

Plaintiff

vs.

Southern Holdings, Inc., Adrian L. Falgione, Law Max Legal Finance, Litfunding USA, James Spencer, Doris Holt, Rodney Keith Lail, Linda Williamson Lawrence, Ernest H. Morton, Jr., Irene Santacroce, Ronald N. Serota, David Smith, Marguerite Stephens and Ricky Stephens, Michael Steven Hartness, Harold Steve Hartness, and Horry County, South Carolina,

Defendants

(Please Print)
Submitted By: Hailey Powers
Address: 226 State Street, West Columbia, SC 29169

SC Bar #: 76365
Telephone #: 803.796.9299
Fax #: 803.796.1066
Other:
E-mail: hailey@desaballard.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION (*Check all that apply*)

**If Action is Judgment/Settlement do not complete*

- ☐ JURY TRIAL demanded in complaint. ☒ NON-JURY TRIAL demanded in complaint.
- ☐ This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
- ☐ This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
- ☐ This case is exempt from ADR. (Proof of ADR/Exemption Attached)

NATURE OF ACTION (*Check One Box Below*)

Contracts
- ☐ Constructions (100)
- ☐ Debt Collection (110)
- ☐ Employment (120)
- ☐ General (130)
- ☐ Breach of Contract (140)
- ☐ Other (199)

Torts – Professional Malpractice
- ☐ Dental Malpractice (200)
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)
- ☐ Notice/ File Med Mal (230)
- ☐ Other (299)

Torts – Personal Injury
- ☐ Assault/Slander/Libel (300)
- ☐ Conversion (310)
- ☐ Motor Vehicle Accident (320)
- ☐ Premises Liability (330)
- ☐ Products Liability (340)
- ☐ Personal Injury (350)
- ☐ Wrongful Death (360)
- ☐ Other (399)

Civil Conspiracy; Tortious Interference with Contract and Potential Contracts

Real Property
- ☐ Claim & Delivery (400)
- ☐ Condemnation (410)
- ☐ Foreclosure (420)
- ☐ Mechanic's Lien (430)
- ☐ Partition (440)
- ☐ Possession (450)
- ☐ Building Code Violation (460)
- ☐ Other (499)

Inmate Petitions
- ☐ PCR (500)
- ☐ Mandamus (520)
- ☐ Habeas Corpus (530)
- ☐ Other (599)

Judgments/Settlements
- ☐ Death Settlement (700)
- ☐ Foreign Judgment (710)
- ☐ Magistrate's Judgment (720)
- ☐ Minor Settlement (730)
- ☐ Transcript Judgment (740)
- ☐ Lis Pendens (750)
- ☐ Other (799)

Declaratory Judgment

Administrative Law/Relief
- ☐ Reinstate Driver's License (800)
- ☐ Judicial Review (810)
- ☐ Relief (820)
- ☐ Permanent Injunction (830)
- ☐ Forfeiture-Petition (840)
- ☐ Forfeiture—Consent Order (850)
- ☐ Other (899)

Appeals
- ☐ Arbitration (900)
- ☐ Magistrate-Civil (910)
- ☐ Magistrate-Criminal (920)
- ☐ Municipal (930)
- ☐ Probate Court (940)
- ☐ SCDOT (950)
- ☐ Worker's Comp (960)
- ☐ Zoning Board (970)
- ☐ Administrative Law Judge (980)
- ☐ Public Service Commission (990)
- ☐ Employment Security Comm (991)
- ☐ Other (999)

Special/Complex /Other
- ☐ Environmental (600)
- ☐ Automobile Arb. (610)
- ☐ Medical (620)
- ☒ Other (699)
- ☐ Pharmaceuticals (630)
- ☐ Unfair Trade Practices (640)
- ☐ Out-of State Depositions (650)
- ☐ Sexual Predator (510)

Submitting Party Signature: Hailey Powers **Date:** September 12, 2008

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

John R. Rakowsky,

Plaintiff,

v.

Southern Holdings, Inc., Adrian L Falgione Law Max Legal Finance, Lit Funding USA James Spencer, Doris Holt, Rodney Keith Lail, Linda Williamson Lawrence, Ernest H. Morton, Jr., Irene Santacroce, Ronald N. Serota, David Smith, Marguerite Stephens, and Ricky Stephens, Michael S. Hartness, Harold Steve Hartness and Horry County, South Carolina,

Defendants.

2008-CP-40-6656

CERTAIN DEFENDANTS' MOTION FOR COURT TO ORDER THE IMMEDIATE RELEASE OF "LITIGATION" FUNDS AS INSTRUCTED BY ALL DEFENDANT CONTRIBUTORS AS IDENTIFIED BY PLAINTIFF JOHN RAKOWSKY's COMPLAINT FOR INTERPLEADER (2008-CP-40-6656)

NOW COME CERTAIN DEFENDANTS[1] and move the Court to Order Plaintiff John Rakowsky to transfer the residual "litigation" funds into the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer for use as directed by James Spencer. The check should be certified and it

[1] Nicholas Williamson, Doris Holt, Ricky Stephens, Marguerite Stephens, Irene Santacroce, James Spencer, and Rodney Lail.

should immediately be mailed to the above named law firm to the attention of Ms. Patty Davis. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

INTRODUCTION

1. Paragraph 13, found on page 3 of John Rakowsky's Complaint for Interpleader clearly identifies residual funds totaling nine-thousand- eight-hundred- fifty-five dollars ($9,855.00) were deposited by various Plaintiffs into Rakowsky's trust account for costs incurred in the Southern Holdings, et al. v Horry County, et al., case litigation **(See attachment "A").**
2. John Rakowsky has refused numerous requests to provide the signatory Defendants the remaining funds for ongoing litigation purposes in this matter.
3. John Rakowsky has refused numerous requests by the signatory Defendants to identify any conflicting claims to the remaining funds slated for litigation purposes.
4. John Rakowsky has identified individuals as his clients who were not listed as parties to the Southern Holdings, et al., v Horry County, et al., litigation, persons who include Linda Williamson Lawrence and Ernest Morton. John Rakowsky for the first time revealed in his Complaint for Interpleader that he represented the interests of Linda Williamson Lawrence and Ernest Morton in the Southern Holdings, et al., v Horry County, et al. case. Such representation, heretofore unknown by the Plaintiffs in the Southern Holdings, et al., v Horry County, et al., case created a clear conflict of interest with the parties John Rakowsky and Adrian Falgione openly represented in that Federal District Court case.

5. The parties John Rakowsky openly represented in Federal District Court are Southern Holdings, Inc., Rodney Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, James Spencer and Nicholas C. Williamson. **(See caption attachment "B").**

6. All Defendants associated with the remaining litigation funds as identified by John Rakowsky on page 3, paragraph 13 of the Rakowsky's Interpleader complaint, have executed this Motion to transfer the remaining litigation funds to a designated trust account and/or likewise have instructed John Rakowsky to do so in attached correspondence **(See attachment "C").**

DISCUSSION

There is no disagreement among the Defendants who have an interest in the "litigation funds" (Defendants identified by John Rakowsky in paragraph 13 of page 3 of John Rakowsky's Complaint for Interpleader) regarding their unanimous request to transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA. The multiple requests for the transfer of the litigation funds have been repeatedly ignored by John Rakowsky despite the fact John Rakowsky does not represent the interests of his former clients. All Defendants John Rakowsky openly represented who were parties to the case **(See attachment "B")** and which are identified in the caption of the case, have requested John Rakowsky to transfer remaining "litigation funds" to the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer for use as directed by James Spencer. The check should be certified and it should immediately be mailed to the above named law

firm to the attention of Ms. Patty Davis. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

CONCLUSION

All the contributors/claimants to the "litigation funds" identified by Plaintiff John Rakowsky in his Complaint for Interpleader are in unanimous agreement about the disposition of the "litigation funds" ($9,855.00) and how the use of the funds is to be directed. Therefore, the Defendants pray the Court Order such funds be immediately transferred to the trust account identified herein for the funds intended use as directed by James Spencer for matters concerning the Appellants and related to the ongoing lawsuit currently in the United States Court of Appeals for the Fourth Circuit.

RESPECTFULLY SUBMITTED
This 17th day of October, 2008.

By:

Doris E. Holt. *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

Nicholas C. Williamson, PhD
8005 White Ash Court
Oak Ridge, NC 27310

Rodney K. Lail, Plaintiff, *Pro Se*
PO Box 2753
Myrtle Beach, SC 29578
(843) 626-3229

Irene Santacroce, Plaintiff, *Pro Se*
205 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 455-0891

Ricky Stephens, Plaintiff, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

Marguerite Stephens, Plaintiff, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

ATTACHMENT A

PAGE 1 OF 1

The federal court plaintiffs had numerous successive counsel, but the most recent counsel to represent them were defendant Falgione (hereafter "Falgione") and plaintiff Rakowsky.

12. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina were defendants in the federal court action, and collectively paid settlement funds to settle the federal court claim.

13. In connection with the litigation of the federal court action, one or more of the federal court plaintiffs advanced funds for costs to be incurred in the federal court litigation. The balance of these funds was eventually held by Rakowsky in trust. At the time of the events described herein, Rakowsky held in trust the sum of nine-thousand eight hundred and fifty-five dollars ($9.855.00) which had not been expended toward litigation costs.

14. In or about May 2007, the federal court plaintiffs authorized Rakowsky and Falgione to enter into a settlement in the federal court action which would provide, *inter alia*, for payment to them of a settlement in the amount of fifty five thousand dollars ($55,000.00). Rakowsky and Falgione communicated the acceptance of settlement to counsel for defendants in the federal court action. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina paid the sum of fifty-five thousand dollars ($55,000.00) to the federal court plaintiffs to consummate the settlement.

15. Falgione and Rakowsky and are entitled to receive a portion of the funds in question as attorneys fees for their services in the federal court action. Defendant John R. Rakowsky, acting as legal counsel for the plaintiffs, now defendants

ATTACHMENT B

PAGE 1 OF 3

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
FLORENCE DIVISION
CIVIL ACTION NO: 4:02-CV-01859-RBH

SOUTHERN HOLDINGS, INC.; JAMES SPENCER; RODNEY KEITH LAIL; IRENE SANTACROCE; RICKY STEPHENS; MARGUERITE STEPHENS; DORIS HOLT; and NICHOLAS C. WILLIAMSON,
Plaintiff.

-VS-

HORRY COUNTY, SOUTH CAROLINA, HORRY COUNTY SHERIFF'S DEPARTMENT; HORRY COUNTY POLICE DEPARTMENT; JAMES ALBERT ALLEN, JR., Individually and in his official capacity as an officr with the Horry County Sheriff's Department; SIDNEY RICK THOMPSON, Individually and in his official capacity as an officer with the Horry County Sheriff's Department; JEFFREY S. CALDWELL, Individually and in his official capacity as an officer with the Horry County Sheriff's Department; CHARLES MCCLENDON, Individually and in his official capacity as an officer with the Horry County Police Department; JAY BRANTLEY, Individually and in his official capacity as an officer with the Horry County Police Department; ANDY CHRISTENSEN, Individually and in his official capacity as an officer with the Horry County Police Department; MICHAEL STEVEN HARTNESS; ANCIL B. GARVIN, III; DAVID SMITH; and JOHN DOES,
Defendants.

THE DEPOSITION OF NOEL HERROLD,

taken on behalf of the Defendant, on May 7, 2007, commencing at 10:03 a.m., at the Law Offices of Senn, McDonald & Leinbach, 3 Wesley Drive, Charleston, South Carolina, 29464.

ORIGINAL

Douglas K. Liperote

Court Reporter

ATTACHMENT B

PAGE 2 OF 3

A P P E A R A N C E S

FOR THE PLAINTIFF:

JOHN R. RAKOWSKY, Esq., Esq.
Attorney at Law
900 12th Street
Columbia, SC 29169
(803) 791-8830

ADRIAN L. FALGIONE, Esq.
Attorney at Law
113 East Main Street
Lexington, SC 29072
(803) 957-6543

THE DEFENDANTS:

SANDRA J. SENN, Esq.
Senn, McDonald & Leinbach
3 Wesley Drive
Charleston, SC 29407
(843) 556-4045

E. GLENN ELLIOTT, Esq.
Aiken Bridges
181 East Evans Street, Suite 409
Florence, SC 29503
(843) 669-8787

JAY SALEEBY, Esq.
Aiken Bridges
181 East Evans Street, Suite 409
Florence, SC 29503
(843) 669-8787

ATTACHMENT B
PAGE 3 OF 3

CERTIFICATE OF REPORTER

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Douglas K. Liperote, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Date 6/22/17

Douglas K. Liperote
Notary Public in and for the
County of Charleston
State of South Carolina

My commission expires August 15, 2015.

ATTACHMENT C

PAGE 1 OF 1

Nicholas C. Williamson, PhD
President
Southern Holdings, Inc.
6170 West Lake Mead Blvd.
Suite 311
Las Vegas, Nevada 89108

October 7, 2008

John Rakowsky, Attorney at Law
900 West 12th Street
West Columbia, SC 29169

Re: Litigation Funds Remaining and accounting for expended funds.

Dear Mr. Rakowsky:

In regard to any and all remaining residual funding that you believe may have come from Southern Holdings, Inc., please consider this formal notice that any such funds are to be transferred to the trust account named below for the use of the Plaintiffs in the ongoing litigation as directed by James B. Spencer and Southern Holdings Corporate Secretary Irene Santacroce.

In that regard, as you have been previously and repeatedly requested to do, transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer. The check should be certified and it should immediately be mailed to the above named law firm to the attention of Patty. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

If you believe that I personally contributed any funds as a Plaintiff that are part of the residual litigation funds, then please consider my authorization and request to immediately transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA to be credited in the name of Irene Santacroce and James Spencer. The check should be certified and it should immediately be mailed to the above named law firm to the attention of Patty. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

If you have any questions please call me directly. Thanks you for your prompt attention to this matter.

Sincerely,

Nicholas C. Williamson, PhD
Personally and as President of
Southern Holdings, Inc.

Cc: Individual Members of the Board of Directors

CERTIFICATE OF SERVICE

I, James Spencer, ***Pro Se***, do hereby certify that the foregoing **CERTAIN DEFENDANTS' MOTION FOR COURT TO ORDER THE IMMEDIATE RELEASE OF "LITIGATION" FUNDS AS INSTRUCTED BY ALL DEFENDANT CONTRIBUTORS AS IDENTIFIED BY PLAINTIFF JOHN RAKOWSKY's COMPLAINT FOR INTERPLEADER (2008-CP-40-6656)** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Adrian Falgione
P. O. Box 277
Lexington, SC 29071

Law Max Legal Finance
459 Columbus Avenue, Suite 299
New York, New York 10024-5129

Litfunding USA
6375 S. Pecos Rd
Las Vegas, NV 89120-3264

Linda Williamson Lawrence
105 Yadkin Street, Suite 203
Albemarle, NC 28001

Ernest H Morton
P. O. Box 519
Albemarle, NC 28002

Ronald N Serota, Esquire
Corporate Law Office
2620 Regatta Drive, NV 89128

David Smith
1006 N. Holden Road
Greensboro, NC 27410

Michael Steven Hartness
3032 Nance Cove Rd
Charlotte, NC 28214-9470

Harold Steven Hartness
3032 Nance Cove Rd
Charlotte, NC 28214-9470

Horry County, South Carolina
Danny Knight
Government & Justice Center
1301 Second Avenue
Conway, SC 29526

This 17th day of October, 2008.

By: _____
James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF RICHLAND)	
)	
John R. Rakowsky)	
)	Case No. 2008-CP-40-6656
Plaintiff,)	
vs.)	
)	
Southern Holdings, Inc., Adrian L. Falgione,)	**MOTION TO AMEND COMPLAINT**
Law Max Legal Finance, Litfunding USA,)	
James Spencer, Doris Holt, Irene Santacroce)	
Ronald N. Serota, Rodney Keith Lail,)	
David Smith, Marguerite Stephens and Ricky)	
Stephens, Michael Hartness, Harold Hartness)	
Horry County, South Carolina,)	
)	
Defendants.)	

2010 JUL 28 PM 4:34

NOTICE IS HEREBY GIVEN THAT Plaintiff will move before this Honorable Court pursuant to SCRCP Rule 15 for an order permitting Plaintiff to join additional parties and to amend its complaint in accordance with the proposed Second Amended Complaint and Affidavit of Default which are attached hereto as Exhibit A.

The grounds for this motion are that the identity of additional parties and additional claims regarding existing parties have been discovered since the filing of Judge Lee's order in May 2010 and that the parties should be added in order that complete relief may be accorded to the plaintiff. In support of this motion, Plaintiff respectfully submits the following:

1. This matter is before the court on Plaintiff's request to interplead certain funds related to protracted litigation and appeals in a separate matter. Plaintiff is informed and believes that several parties claim an interest or entitlement to the funds currently held by Plaintiff and Plaintiff wishes to ensure all parties so claiming are joined.
2. SCRCP Rule 15(a) permits amendments of pleadings before trial with leave of court or by the opposing parties' written consent. In this case, the plaintiff seeks to amend

pleadings to delete claims against those who were not proper parties or who are no longer involved in the matter and, to join new parties whose existence and involvement have been revealed through the Court. "Pleadings may be amended by leave of court which 'shall be freely given when justice so requires and [it] does not prejudice any other party.'" *Griffith v. Griffith*, 332 S.C. 630, 506 SE2d 526, 529 (Ct. App. 1998).

3. Rule 20(a) permits joinder of parties who are interested in claims that arise out of the same transaction or occurrence, and who share in common at least one question of law or fact. *Ellis v. Oliver*, 307 SC 365, 367, 415 SE2d 400, 401 (1992). Upon information and belief, the amended pleading will finally ensure all interested parties are included in this matter.
4. A motion for continuance has been filed contemporaneously herewith to allow additional time for service of the amended pleading. Upon information and belief, no party will be prejudiced by the extension of time.

Wherefore, having fully set forth the grounds for the relief requested, Plaintiff moves for an order granting him permission to file and serve the proposed Second Amended Summons and Complaint.

Respectfully submitted,

Desa Ballard
Stephanie Weissenstein
Law Offices of Desa Ballard
226 State Street
West Columbia, South Carolina 29169
Telephone 803.796.9299
Facsimile 803.796.1066
E-mail: desab@desaballard.com
ATTORNEY FOR PLAINTIFF

July 27, 2010

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND)	
John R. Rakowsky)	
)	Case No. 2008-CP-40-6656
Plaintiff,)	
vs.)	
)	**SUMMONS TO SECOND AMENDED COMPLAINT FOR INTERPLEADER**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison)	
)	
Defendants.)	

TO: **DEFENDANTS NAMED ABOVE:**

YOU ARE HEREBY SUMMONED and required to answer the second amended complaint herein, a copy of which is herewith served upon you, and to serve a copy of your answer to said complaint upon the subscriber, at 226 State Street, West Columbia, South Carolina 29169, within thirty (30) days after the service hereof, exclusive of the day of such service, and if you fail to answer the complaint within the time aforesaid, plaintiff will apply to the Court for the relief demanded in the complaint, by judgment by default.

Desa Ballard
Stephanie Weissenstein
Law Offices of Desa Ballard
226 State Street
West Columbia, South Carolina 29169
Telephone: 803-796-9299
Facsimile: 803-796-1066
E-mail: desab@desaballard.com
ATTORNEYS FOR PLAINTIFF

July 27, 2010

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE COURT OF COMMON PLEAS FIFTH JUDICIAL CIRCUIT
John R. Rakowsky, Plaintiff, vs. Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison Defendants[2].	Case No. 2008-CP-40-6656 **SECOND AMENDED COMPLAINT FOR INTERPLEADER[1]**

Plaintiff John Rakowsky, pursuant to Rule 22 of the *South Carolina Rules of Civil Procedure*, herein prays unto this Honorable Court for an order allowing him to pay certain funds in the amount of sixty-two thousand six hundred ninety-one dollars and seventy-eight cents ($62,691.78) into court and to make a determination of the owners of said funds which are hereby tendered to the Court. In support of the relief sought, plaintiff Rakowsky would show:

1. Plaintiff John R. Rakowsky (hereafter "Rakowsky") is an attorney in good standing with the state and federal courts of South Carolina.

2. On information and belief, Defendant Adrian L. Falgione is a citizen and resident of the County of Lexington, State of South Carolina.

3. On information and belief, Defendants Doris Holt and James Spencer are citizens

[1] This Complaint is being amended to delete parties who defaulted and to add parties to the case who have recently asserted claims to the funds or who were omitted in the prior complaint.

[2] The following persons were defendants in the Complaint and Amended Complaint but have been removed as failed to appear and thus having defaulted: Southern Holdings, Inc., Law Max Legal Finance, LitFunding USA, Ronald Serota, David Smith and Harold Harmless. Proof of Service of these defendants has been filed herewith, along with an affidavit of default. Linda Williamson Lawrence, and Ernest Morton, Jr. were each removed from the case via his or her own motion.

and residents of Richland County, South Carolina.

4. On information and belief, Defendants Marguerite Stephens, Ricky Stephens, Rodney Keith Lail and Irene Santacroce are citizens and residents of Horry County, South Carolina.

5. Upon information and belief, Defendant Horry County, South Carolina is a municipality organized and existing under the laws of the State of South Carolina.

6. Upon information and belief, Eugene G. Chewing is a resident and citizen of Richland County, South Carolina, and served as a consultant/expert in the underlying matter.

7. Upon information and belief, Glenn W. Harrison, is a resident and citizen of Seminole County, Florida, and served as a consultant/expert in the underlying matter.

8. [redacted]

[redacted]

10. In connection with the litigation of the federal court action, one or more of the federal court plaintiffs advanced funds for costs to be incurred in the federal court litigation. The balance of these funds was eventually held by Rakowsky in trust. At the time of the events described herein, Rakowsky held in trust the sum of nine-thousand eight hundred and fifty-five dollars ($9,855.00) which had not been expended toward litigation costs.

11. In or about May 2007, the federal court plaintiffs authorized Rakowsky and Falgione to enter into a settlement in the federal court action which would provide, *inter alia*, for payment to them of a settlement in the amount of fifty-five thousand dollars ($55,000.00). [redacted]

12. Falgione and Rakowsky are each entitled to receive a portion of the funds in question as attorneys fees for their services in the federal court action. Rakowsky, acting as legal counsel for the plaintiffs in the federal court action, now defendants named above, received the fifty-five thousand dollar ($55,000.00) settlement proceeds in trust from the federal court defendants as agent for the plaintiffs in the federal court action.

13. On information and belief, one or more of the plaintiffs in the federal court action

thereafter repudiated the settlement and sought various avenues of relief through the federal court action, all of which were denied.

14. During that time, it became known that former defendants hereto Serota, Law Max Legal Finance LLC and Litfunding USA Inc. claimed an interest in the settlement proceeds.

15. On or about February 21, 2008, Rakowsky filed a Motion for Deposit of Funds with the United States District Court, Florence Division, which was ultimately denied.

16. On information and belief, the federal court action is concluded, but the federal court plaintiffs repudiated the settlement and the settlement was never consummated. No determination of the ownership of the funds has been made. Rakowsky remains in possession of the sum of sixty-two thousand, six hundred ninety-one dollars and seventy-eight cents ($62,691.78), which is composed of fifty-five thousand dollars ($55,000.00) in settlement proceeds and seven thousand six hundred ninety dollars and ninety-three cents ($7690.93)[3] in costs advanced by one or more of the federal court plaintiffs.

17. Rakowsky is informed and believes that the ownership of the funds is in dispute and that one or more of the Defendants claims entitlement to all or a portion of the funds currently held by him.

18. Because there exist claims by one or more of the Defendants to the settlement monies in the amount of fifty-five thousand dollars ($55,000.00) as well as claims to the funds for advanced costs in the amount of seven thousand six hundred

[3] This total consists of the $9,855.00 reflected in the original complaint minus $2,164.07 for the litigation cost payment to Dr. Chewning. See Exhibit A.

ninety dollars and ninety-three cents ($7690.93) being held in trust by the Plaintiff, Plaintiff hereby tenders funds in the amount of sixty-two thousand six hundred ninety-one dollars and seventy-eight cents ($62,691.78) to the Court for determination and distribution as deemed to be appropriate.

Wherefore, Plaintiff prays for an order permitting the clerk of court to receive the sum of sixty-two thousand six hundred ninety-one dollars and seventy-eight cents ($62,691.78) until further order of this Court.

Respectfully submitted,

Desa Ballard
Stephanie Weissenstein
Law Offices of Desa Ballard
226 State Street
West Columbia, South Carolina 29169
Telephone: 803.796.9299
Facsimile: 803.796.1066
E-mail: desab@desaballard.com

ATTORNEY FOR PLAINTIFF

July 26, 2010

CLERK'S VERIFICATION

Collected by:_____ Date Filed: _____
☐ MOTION FEE COLLECTED: $ _____
☐ CONTESTED – AMOUNT DUE: $ _____

SCCA 233 (11/2003)

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

John R. Rakowsky, Plaintiff, v. Adrian L. Falgione, James Spencer individually and as Administrator of the estate of Doris Holt, Rodney Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, and Horry County, South Carolina, Defendants.	(2008-CP-40-6656)

FILED
2011 AUG 29 A 9:54
JEANETTE W. WALKER
C.C.P. & G.S.

CERTAIN DEFENDANTS' AMENDED RESPONSE AND COUNTER CLAIMS IN RESPONSE TO JOHN RAKOWSKY'S SECOND AMENDED COMPLAINT FOR INTERPLEADER

NOW COME CERTAIN DEFENDANTS[1] (hereinafter known as the "Defendants") and move the Court to Deny Plaintiff's request to disperse funds in accordance with Plaintiff Rakowsky's Complaint for Interpleader captioned above.

Defendants deny each and every allegation not hereinafter specifically admitted, modified or qualified.

1. Admitted.

2. Admitted.

[1]James Spencer, individually and as Administrator for the Estate of Doris Holt, Ricky Stephens, Marguerite Stephens, Irene Santacroce, and Rodney Lail.

3. Admitted in part and denied in part as Doris Holt is now deceased.

4. Admitted.

5. Admitted.

6. Admitted in part and denied in part. Based on information and belief Eugene Chewning is not a resident of South Carolina and Eugene Chewning's work is not completed.

7. Admitted in part and denied in part. Based on the information and belief that Glen Harrison is not a resident of Seminole County, Florida.

8. Admitted in part and denied in part. Plaintiff Rakowsky *was not one* of the most recent counsels added to that case as the Court Docket evidences, he was in fact one of the earliest counsels who made an appearance in the case. Mr. Rakowsky in fact became a member of the legal team shortly after the filing of the Complaint in Federal District Court of Case No: 4:02-CV-01859-RBH, entitled Southern Holdings, Inc., et al. vs. Horry County, et al. on May 29, 2002. Plaintiff Rakowsky did not file his Motion for Appearance until December 3, 2002 (Dkt.#57), months after he already had been working on the case. Plaintiff Rakowsky assumed control of the legal team and initiated the firing of legal counsels he determined needed to be dismissed, and the hiring of legal counsels he handpicked including the hiring of the two most recent Counsels in that case. The two most recent Counsels were Ron Scrota (admitted July 6, 2005, Dkt.#146) and Defendant Adrian Falgione (admitted November 15, 2006, Dkt.#287). Additionally, former Defendants' Counsel in that action, Charles Cooper, died

while the case was pending and James Cooper, Charles Cooper's brother and law partner, became ill and had to withdraw from that case for health reasons.

9. Admitted.

10. Denied. All funds held by the Plaintiff Rakowsky were advanced by Defendant Spencer and Plaintiff Rakowsky knows, or was/is required to know, the source and amount of those litigation funds advanced as Plaintiff Rakowsky was required to keep records of any such funds he held for such purposes under both South Carolina Rules of Professional Conduct, ("SCRPC") Rule 1.15(a) and under agreement with Defendant Spencer to provide such records and return such property on demand of former client Spencer under SCRPC 1.15(d) and 1.16. Furthermore, under Rule 417 of the South Carolina Judicial Department, Plaintiff Rakowsky was required to keep records showing the specific amount of funds provided by a client and any disbursement from said funds and the balance of funds provided by each client. Therefore, Plaintiff Rakowsky knew the litigation funds were provided by James Spencer and no other Defendant. The funds advanced by Lit Funding, Resolution Settlement Corporation and LawMax Legal Funding on behalf of James Spencer were non-recourse funds where all three organizations gave up any and all claims against any and all funds advanced for the litigation and/or personal expenses of Defendant Spencer to be used as determined by Defendant Spencer.

The purported balance of the litigation funds reported by Plaintiff Rakowsky was nine thousand, eight hundred and fifty five dollars ($9,855.00) which was an amount fully advanced by Defendant James Spencer and there were

no other claims to this $9,855.00 in litigation funds and Plaintiff Rakowsky knew it from July 2007 to date.

The Defendants cannot rely on Plaintiff Rakowsky's claim as to the balance. Mr. Rakowsky and his counsel Desa Ballard have refused numerous requests and discovery requests by the Defendants to provide a complete accounting of the funds provided for that lawsuit regarding that litigation required under the SCRPC 1.16, Rule 417 of the SCACR and under contract with RSC and Defendant James Spencer.[2]

11. Denied. Mr. Rakowsky claimed on May 8th, 9th, and 10th of 2007 to the Defendants, except for Defendant Doris Holt, that no agreement could be legally binding until each and every individual Defendant that Plaintiff Rakowsky represented in Southern Holdings, Inc., et al. vs. Horry County, et al. had formally signed off on a final written settlement agreement. The Defendants never gave Plaintiff Rakowsky and co-counsel Defendant Falgione authorization to settle that case hence the dispute over the $55,000.00 in "settlement funds". Defendant Doris Holt was not aware of any proposed settlement agreement and was not present in Court in May 2007, under the specific instructions of Plaintiff John Rakowsky. Doris Holt was never consulted with by either Plaintiff Rakowsky or co-counsel Defendant Adrian Falgione in that case directly, and/or indirectly, about the pseudo settlement of May 2007 at any time before, after and/or during May 2007. Defendant Doris Holt's position was steadfast from the date the

[2] Plaintiff John Rakowsky executed a notarized signature on a contract with RSC obligating Mr. Rakowsky to, "Transferor [Defendant James Spencer] hereby authorizes his attorney [John Rakowsky] to release to Transferee [RSC] any information, files, records, documents regarding the litigation requested by Transferee [RSC] who agrees to treat such information as privileged...". – from the RSC funding agreement, executed on June 22, 2005, by Plaintiff John Rakowsky and Defendant James Spencer.

lawsuit was filed that she wanted the individuals who physically and financially injured her brought to justice solely under terms decided by a jury. Defendant Doris Holt never agreed to a settlement **at any time**. A malpractice action is now pending against Plaintiff John Rakowsky and his co-counsel Defendant Adrian Falgione in a Court with proper venue.

12. Denied. A malpractice action is pending against Plaintiff John Rakowsky and his co-counsel Defendant Adrian Falgione in that matter in a Court with proper venue.

13. Denied. Defendants cannot repudiate something they have never agreed to and the Defendants never agreed to the pseudo settlement agreement proffered by Plaintiff Rakowsky, Defendant Falgione, Defendant Horry County and its legal counsel Defendant Andrew Lindemann. Further, Plaintiff Rakowsky lacks sufficient information to make or infer such despite his defacto refusal to end the attorney client relationship between the Defendants and Plaintiff Rakowsky by refusing to release the Plaintiff admitted remaining litigation funds of $9,855.00 to the Defendants.

14. Defendants lack sufficient knowledge to admit or deny the allegations contained in paragraph 14.

15. Admitted.

16. Denied. Plaintiff Rakowsky purportedly has taken action as if he represents Defendants and as if he had not filed this Interpleader action by wrongfully reducing the amount of Plaintiff reported remaining litigation funds by making a payment to a named Defendant in this Interpleader action from the reported

$9,855.00 of Interplead litigation funds, reducing the reported funds to $7,690.93 without authorization and without consent of either Defendant Spencer and/or the Court.[3] Plaintiff Rakowsky for years wrongfully withheld the remaining litigation funds. Plaintiff Rakowsky is wrongfully misusing this Court to both control and purportedly disperse the Defendant's remaining litigation funds, supposedly protected in trust, without the Defendant's review, approval and consent; purportedly on behalf of the Defendants effectively retaining his representation of the Defendants. Additionally, any such payment out of litigation funds was not to be made by Plaintiff Rakowsky without the explicit consent of Defendant James Spencer under Defendant's agreement with Plaintiff Rakowsky. Withdrawing $2,164.07 and expending such funds on behalf of the Defendants constituted a breach of ethics under SCRPC Sections, 1.15 & 1.16, a breach of fiduciary duty to Defendant Spencer and a breach of contract with the contractual rights held by Defendant Spencer and contradictory to the supposed reason Plaintiff Rakowsky filed the Interpleader Action.

[3] Plaintiff Rakowsky knows full well that the $2,164.07 reduction is not a legitimate legal expense but were costs related to personal travel unrelated to the case by a potential witness visiting friends and family in Columbia, SC including his rental car expenses and flight expense (i.e. frolic & detour). Rakowsky maintained understood his clients position regarding the non-payment of these personal expenses when the expenses were invoiced in mid May 2007. Plaintiff Rakowsky further acknowledged and maintained Defendants had already advanced funds that covered any pretrial preparation time contained in that invoice by the Defendant who received the $2,164.07. The Defendants refused to authorize the release of any funds to pay the $2,164.07 invoice. Further, Plaintiff Rakowsky acknowledged this as his Interpleader Complaint filed on September 12, 2008 and his first Amended Interpleader Complaint filed on November 14, 2008 were without any claims on the litigation funds. (Note: The two Complaints were filed after Plaintiff Rakowsky received invoices for $2,164.07 in May 2007, on or about August 20, 2008 and a hand delivered invoice was received by Rakowsky on October 14, 2008 a mere month before Rakowsky filed his first Amended Interpleader Complaint on November 14, 2008.) Further, under the terms of the Contract of Representation, dated May 27, 2005, with James Spencer it is clear no money is to be paid for legal expenses without the Defendant Spencer's explicit authorization. "amounts paid and or owed as authorized by client [James Spencer whose funds make up 100% of the litigation funds] of case related costs and expenses" (see page one of the contract of representation, lines 13, 14 and 15). This $2,164.07 has never appeared on any accounting presented to the Defendant Spencer and any funds released to a named Defendant or a third party would have to both be approved by the client [James Spencer] and the Richland County Court where the Interpleader was filed by Plaintiff, neither of which occurred.

17. Admitted in part, denied in part as Plaintiff Rakowsky knows the originally purported $9,855.00 in remaining litigation funds belongs to Defendant Spencer

18. Denied. The amount of $55,000.00, relates to the disputed settlement and the amount of the originally purported remaining litigation funds of $9,855.00 belongs to the Defendant Spencer for expenses authorized by Defendant Spencer.

Wherefore, the Defendants humbly pray this Honorable Court for an Order that the funds currently and wrongfully being controlled by John Rakowsky and Desa Ballard, in the sums of sixty-four thousand, eight hundred fifty-five dollars ($64,855.00), to be transferred forthwith into the trust account of the Defendants' designated legal counsel, Jim Young, Esquire of Singleton, Burroughs and Young, PA., located at 1303 3rd Avenue, Conway, SC, 29526. The funds are to be transferred by certified check in the amount of sixty four thousand, eight hundred fifty-five dollars ($64,855.00) which is to be mailed to the attention of Ms. Patty Davis, assistant to Jim Young, Esquire of Singleton, Burroughs and Young, PA, with the litigation funds component to be further disbursed from that account as directed solely by Defendant Spencer. The Plaintiff has fully demonstrated through his actions that he has/and continues to wrongfully use this Honorable Court to attempt to dissipate the litigation funds reportedly held in trust pending this litigation. Of the funds transferred, $55,000.00 will be held in trust until the rights of ownership of the funds are established through the pending malpractice litigation against Plaintiff Rakowsky and Defendant Falgione and the anticipated litigation concerning the disputed settlement of the underlying case, Case No: 4:02-CV-01859-RBH, are both litigated to conclusion.

The residual litigation funds of $9,855.00 or any portion thereof is to be utilized as directed by the Defendant Spencer as maintained in Defendants October 20, 2008, motion which is still pending before this Court. In addition, the Defendants pray that the Court impute an interest rate of eight and three-fourths percent (8.75%) per annum[4] to be used to compute interest on the litigation funds the $9,855.00 plus any litigation funds wrongfully expended by Plaintiff Rakowsky (litigation funds expended without the express written permission of Defendant James Spencer in violation of Plaintiff's agreement with Defendant Spencer). This interest rate is to be computed from the date of July 14, 2007[5], to the date the remaining $9,855.00 in litigation funds, or applicable funds thereof, are deposited into the trust account designated by the Defendants in their pending motion of October 20, 2008, still pending before this Court.

COUNTER CLAIMS BY DEFENDANTS

Facts

19. The Defendants learned on July 12, 2011, that a representative of Resolution Settlement Corporation ("RSC") had contacted Plaintiff John Rakowsky prior to filing this Interpleader Action and his legal counsel, Desa Ballard, and provided documentation to each regarding claims RSC had against any settlement funds in Case No: 4:02-CV-01859-RBH. It was also learned by the Defendants that RSC requested documentation from Plaintiff Rakowsky and Desa Ballard on the use of

[4] S.C. Code Ann. § 34-31-20. Legal rate of interest. "In all cases of accounts stated and in all cases wherein any sum or sums of money shall be ascertained and, being due, shall draw interest according to law, the legal interest shall be at the rate of eight and three-fourths percent per annum."

[5] July 14, 2007, was the day after Plaintiff Rakowsky unilaterally resigned from the case.

litigation funds as this was documentation required to be provided under contract between RSC, Plaintiff Rakowsky and Defendant James Spencer.

20. All such lawful requests for accounting of funds by RSC went unanswered.

21. Lit Funding and LawMax Legal Funding provided the same litigation funding service as RSC to Defendant Spencer also with the participation of Plaintiff Rakowsky in the same Case No: 4:02-CV-01859-RBH. Plaintiff John Rakowsky, in his initial Interpleader Complaint before this Court, named Lit Funding and LawMax as Defendants. Nevertheless, each successive version of the Interpleader Complaint thereafter did not name any of the three funding companies used by Defendant Spencer as Defendants in this action.[6] Importantly, upon information and belief, Lit Funding never contacted Plaintiff Rakowsky nor his legal counsel Desa Ballard like RSC did, yet RSC was excluded by Plaintiff Rakowsky throughout the entire process as recognition of RSC would have revealed additional litigation funds unaccounted for by Plaintiff Rakowsky.

22. Additionally, the Defendants also first learned on July 12, 2010, that representatives of RSC contacted the Honorable Judge Lee and notified Judge Lee on, or about, January 21, 2010, of the failure of Plaintiff Rakowsky to name RSC as having an interest in the settlement proceeds of $55,000.00.

23. On July 11, 2011, at a hearing before this Court, Plaintiff John Rakowsky's counsel, Stephanie Weissenstein, falsely claimed to the Court that Plaintiff John Rakowsky had produced the required documentation on "four separate occasions" that pertained to the receipt of funds and disbursement of all the litigation funds

[6] First Interpleader Complaint dated September 12, 2008; the 1st Amended Interpleader Complaint dated November 14, 2008; the 2nd Amended Interpleader Complaint (Version 1) dated July 28, 2010; and the 2nd Amended Interpleader Complaint (Version 2) dated December 3, 2010

which would be due former clients by Plaintiff John Rakowsky, Defendant James Spencer, RSC, Lit Funding and LawMax. However, Stephanie Weissenstein only produced documentation that showed deposits of $67,500.00. The RSC agreements alone were for sixty thousand dollars ($60,000.00) by themselves in litigation funds and living expenses for Defendants advanced by RSC to Plaintiff Rakowsky for Defendant James Spencer executed under terms and agreement also both acknowledged, agreed to and executed by Plaintiff John Rakowsky.

24. On July 12, 2011, the captioned Defendants learned that Plaintiff John Rakowsky and his legal counsel, Stephanie Weissenstein, had failed to respond to repeated requests by RSC for documentation that Plaintiff John Rakowsky is contractually obligated to provide to RSC.[7]

25. Additionally, as a result of: (1) the untruthful statements given to the Court during the July 11, 2011, hearing by the Plaintiff's counsel, Stephanie Weissenstein, on and for the behalf of Plaintiff Rakowsky and Defendant Falgione, (2) the *ex parte* communications conducted with the Court including *ex parte* evidence presented to the Court and sealed by the Court, upon information and belief only shared with Defendant Falgione and Defendant Horry County's legal counsel Andrew Lindemann, and (3) the Court Order issued on August 3, 2011, making the information confidential due under contract to Defendant James Spencer and RSC regarding the use and authorization by Defendant James Spencer of the litigation

[7] Plaintiff John Rakowsky executed a notarized signature on a contract with RSC obligating Mr. Rakowsky to, "Transferor [Defendant James Spencer] hereby authorizes his attorney [John Rakowsky] to release to Transferee [RSC] any information, files, records, documents regarding the Litigation requested by Transferee [RSC] who agrees to treat such information as privileged...". – from the RSC funding agreement, executed on June 22, 2005, by Plaintiff John Rakowsky and Defendant James Spencer.

funds provided by RSC, it is clear that Plaintiff John Rakowsky misused this court to breach his fiduciary duty to Defendant Spencer and RSC.

26. Additionally, the Court Order issued on August 3, 2011, appears to make confidential and thus unavailable to the Defendants, pertinent information the Defendants are entitled to under the South Carolina Rules of Professional Conduct Section 1.16 and Rule 417, SCACR.

27. Plaintiff Rakowsky has, therefore, breached his fiduciary duty regarding the care of the $60,000.00 entrusted and advanced by Defendants obtained from RSC by Plaintiff John Rakowsky for use as directed by Defendant James Spencer.

28. Plaintiff Rakowsky has conducted *ex parte* communications with the Court and provided *ex parte* evidence to the Court which the Court has sealed in violation of Rule 3, CJC, Rule 501, SCACR, Canon 3(B) (5) which states, "judge shall not initiate, permit, or consider *ex parte* communications, or consider other communications made to the judge concerning a pending proceeding or consider other communications made to the judge outside the presence of the parties concerning a pending proceeding".[8]

29. Plaintiff Rakowsky unlawfully used this Court to conceal expenditures from the claimed $60,000.00 in litigation funds provided by Spencer through RSC.

30. Plaintiff Rakowsky wrongfully withheld (by and through the misuse of this Interpleader action and this Court) the reported remaining $9,855.00 in litigation funds. Further, Plaintiff Rakowsky claims to have expended additional amounts

[8] The *ex parte* communications excluding the Defendants (as defined herein), by Plaintiff John Rakowsky and/or his Counsel with the Court occurred, but are not limited to, on or before May 21, 2010, on or about February 22, 2011, on or about June 24, 2011, on or about July 11, 2011, and on or about the end of July 2011.

of litigation funds after filing the Interpleader without required authorization by Defendant Spencer after it had previously mutually agreed the $2,167.04 invoice (see footnote 3 herein) was not proper by both Plaintiff Rakowsky and Defendant Spencer when received. Any such payment is a breach of fiduciary duty by Plaintiff Rakowsky due Defendant Spencer and a clear demonstration of the lack of legal basis initiating this baseless Interpleader action regarding litigation funds.

31. Plaintiff Rakowsky presented what he claimed to the court was a full accounting of monies he received from LawMax and Lit Funding, the two funding companies he named as Defendants in the Interpleader ***(See Exhibit A, an accounting from Plaintiff's counsel Stephanie Weissenstein documenting total receipts as $67,500.00 into the Rakowsky account from Lit Funding and LawMax).*** Exhibit B ***(See Exhibit B, attached hereto),*** documents that Rakowsky acknowledged receipt through his signed record provided to the court by Rakowsky he received $50,000 from Lit Funding, $25,000[9] from RSC and $35,000 from LawMax, for a total of $110,000.00 into litigation funds that went to Rakowsky for litigation and living expenses as needed as determined by Defendant Spencer. Therefore, Rakowsky clearly is concealing at least $42,500.00 (forty two thousand, five hundred dollars) of litigation funds an amount untruthfully had been verified by Stephanie Weissenstein on the Court record as having been properly accounted for under Rule 417 a summary of which was presented to the Defendants by Plaintiff's counsels ***(See Exhibit A).*** Stephanie Weissenstein claimed that a complete accounting was kept which she

[9] See Check from RSC deposited into Rakowsky's account documenting $25,000 (of the $60,000 funded by RSC) that Rakowsky did not account for as received funds in his Interpleader ***(Attached hereto Exhibit C).***

reviewed and confirmed under the South Carolina Rules of Professional Conduct Section 1.16 and Rule 417, SCACR, however, the former Defendants were not entitled to see such records under the rules, a statement she has repeatedly made on the court record. Weissenstein, Ballard and Rakowsky therefore, knew or would have known both who the remaining litigation funds belonged to, which means there never was a basis for the remaining litigation funds to have been Interplead and also the fact the remaining litigation funds accounted for by Plaintiff Rakowsky and his legal counsels were understated by $42,500.00 due to the record requirements of Section 1.16 and Rule 417 of the SCACR which were claimed to have been complied with by the Plaintiff and Plaintiff's counsels.[10]

32. Upon information and belief, Plaintiff Rakowsky has breached his contract with Defendant Spencer and Defendant Spencer seeks a full refund of the $42,500.00 and the $9,855.00 for a total of $52,385.00 plus interest of 8.75% compounded annually from the date July 14, 2007, to the date of payment in full of this amount plus interest as directed by Defendant Spencer.

33. The Defendants allege Plaintiff John Rakowsky withheld the remaining litigation funds, living expenses and the records regarding the litigation funds due Defendants under contract and/or as required by the South Carolina Rules of Professional Conduct Section 1.16 and Rule 417, SCACR, to prevent the use of

[10] Despite Desa Ballard and Stephanie Weissenstein's claims to the contrary, they cannot have it both ways. They have stated on the record all accounting records were maintained as required under the SCRPC Section 1.16 and Rule 417 of the SCACR by Plaintiff Rakowsky as verified by them. If that were true than there would be no confusion as to who the remaining litigation funds belonged to, however, if there was truly a confusion as to who the remaining litigation funds belonged to by Plaintiff Rakowsky he committed legal malpractice because the rules required each clients funds, receipts and disbursements be segregated and accounted for. The Plaintiff's legal counsels and Plaintiff are being untruthful to the tribunal.

the litigation funds by indigent and disabled Defendants to financially undermine any malpractice action against Plaintiff Rakowsky and Defendant and Falgione.

Jurisdiction

34. This Court has jurisdiction to hear Counter Claims under SCRCP Rule 22(a).

35. South Carolina courts have considered breaches of fiduciary duty as the basis for contractual and tort actions. See e.g., Corley v. Ott, 326 S.C. 89, 485 S.E.2d 97 (1997). Restatement 2nd Torts § 874 cmt. (C) (1979) Hendricks v. Clemson Univ., 339 S.C. 552, 561 (S.C. Ct. App. 2000)

36. Competing claims regarding the funds involved in the Interpleader action include, but are not limited to, a claim that Plaintiff John Rakowsky breached his fiduciary duty regarding $52,385 in litigation funds advanced by Defendant Spencer.

37. The Defendants allege this Court has been misused by Plaintiff Rakowsky to circumvent his fiduciary duty and to circumvent his requirements under the South Carolina Rules of Professional Conduct Section 1.16 and Rule 417, SCACR, regarding the litigation funds for the sole purpose of financially undermining Defendants' efforts to bring a Legal Malpractice action against Plaintiff Rakowsky and his co-counsel Defendant Falgione.

> "One who uses a legal [**256] process, whether criminal or civil, against another primarily [***16] to accomplish a purpose for which it is not designed, is subject to liability to the other for harm caused by the abuse of process." Restatement (Second) of Torts § 682 (1977) (emphasis added). As noted in the Restatement comment, "the significance of ['primarily'] is that there is no action for abuse of process when the process is used for the purpose for which it is intended, but there is an incidental motive of spite or an ulterior purpose of benefit to the Defendant." Restatement (Second) of Torts § 682 cmt. b, at 475 (1977). Accordingly, liability exists not because a party merely seeks to gain a collateral advantage by using some legal process,

> but because the collateral objective was its sole or paramount reason for acting. See id.; Harper, supra, § 4.9 at 4:84-85 HN37("The process must be used 'primarily' to accomplish the ulterior end."
> Food Lion, Inc. v. United Food & Commer. Workers Int'l Union, 351 S.C. 65, 75 (S.C. Ct. App. 2002)

38. The Defendants seek a jury trial for all causes of action related to this Interpleader Complaint and Counter Claims still outstanding after the Court rules on the Defendant's motion to release the remaining litigation funds per the pending October 20, 2008. Defendant's motion plus any and all accrued interest on said funds.

COUNTER CLAIM RELIEF SOUGHT BY DEFENDANTS

WHEREAS the Defendants seek:

39. The remaining litigation funds clearly documented as provided by James Spencer from RSC, Lit Funding and LawMax ($52,385.00) to Plaintiff Rakowsky. The $52,385.00 is to be reduced by the remaining litigation funds, purportedly $9,855.00, or any portion thereof held by Plaintiff John Rakowsky, that are turned over forthwith to the Defendants herein named attorney's trust account as Defendants pray are Ordered by the Court in regard to Defendants' pending motion of October 20, 2008.

40. Plaintiff Rakowsky place the disputed $55,000.00 of settlement money in an interest earning trust account of Defendants herein named attorney for safekeeping for release only as directed by Court Order so said funds can be earning interest.

41. Punitive damages of an amount to be determined by a jury for the misuse of judicial process in these matters to be assessed against Plaintiff Rakowsky.

42. The Court impute an interest rate of eight and three-fourths percent (8.75%) per annum[11] to be used to compute interest on remaining litigation funds (the $9,855.00 and the $42,500.00. This interest is to be computed from the date of July 14, 2007, to the date the $52,385.00 in litigation funds are deposited into an account designated by Defendant Spencer.

43. Defendants seek an amount for their bills for legal research and costs owed for consulting fees incurred by the Defendants for Plaintiff Rakowsky bringing this baseless Interpleader action regarding the litigation funds. An amount that totals in excess of $8,400.00 as of the date of this filing to be increased for costs that continue to be incurred and owed from the date of this filing.

44. Defendants reserve the right to amend this complaint if and when Plaintiff allows a proper discovery which all efforts to date have been unsuccessful.

45. Any other amount the Jury finds proper in order to deter such action from occurring in the future by members of the South Carolina Bar.

46. The Court impute an interest rate of eight and three-fourths percent (8.75%) per annum[12] to be used to compute lost interest on the settlement funds ($55,000.00) from the date of deposit into Desa Ballard's account until the date the funds are deposited into an interest bearing account by order of this Honorable Court.

47. Any and all costs of counsel(s) and counsel's legal fees if counsel(s) can be found to represent the indigent Defendants in this action.

[11] S.C. Code Ann. § 34-31-20. Legal rate of interest. "In all cases of accounts stated and in all cases wherein any sum or sums of money shall be ascertained and, being due, shall draw interest according to law, the legal interest shall be at the rate of eight and three-fourths percent per annum."
[12] Ibid

EXHIBIT A
1 of 3

Deposits.....$ 67500.00

Expenses: Thru 8/01/06

S. Smith..... 1250.00

postage..... 23.65

Forensic Analysis (S.Cain)..... 11000.00

R. Serota (Expenses).....1050.00

Equipment.....613.00

Copies.....28.50

Copies/Ikon.....315.15

M. Hardee.....150.00

Garber Reporting.....379.45

Garber Reporting.....508.80

Copies/Ikon.....418.49

Copies/Ikon.....69.63

Copies/Ikon.....50.65

Copies/Ikon.....73.22

J. Spencer (Personal Advance).....2500.00

Kim Sellers.....1980.00

Clerk of Court./ Jury Info Misc.....175.00

Ct. Of Appeals.....170.00

Long Distance.....78.53

Marybeth Coller.....2055.00

Eugene Chewning.....6306.25

Glenn Harrison.....2646.18

Federal Court.....175.00

Postage.....37.00

Glenn Harrison.....6094.00

J. Spencer (Personal Advance).....5000.00

Long Distance.....170.55

Misc Supplies	128.28
Copies/Ikon	365.30
Long Distance	374.50
Gibson Moore Appellate Services	361.28
Sub Total Expenses Thru 8/01/06	$44547.41

8/01/06 Balance $22,952.59

Allen Geoghgan	500.00
Misc. Supplies	97.50
J. Spencer (Personal Advance)	1500.00
Long Distance	76.73
John O'Leary	3000.00
Forensic Tape Analysis..Steve Cain	900.00
Long Distance	37.38
J. Spencer	1200.00
Adrian Falgione..Copies	600.00
John Rakowsky...Travel Costs	697.50
M & M Document Center	117.13
Supplies, Binders, Copies	315.00
Al Cannon	800.00
Adrian Falgione..Long Distance	650.00
Southern Reporting	283.40
Spectrum Reporting	100.00
Rose Reporting	291.20
Creel Reporting	100.00
Spectrum Reporting	445.00
Williams Reporting	144.00

Spectrum Reporting	135.50
John O'Leary	1106.40
Sub Total Expenses Thru 9/01/07	$13,096.74

Balance on Account for James Spencer..... $9,855.85

DISCLOSURE STATEMENT

EXHIBIT B
1 of 2

1. Principal Amount to be advanced by Buyer to Seller under this Agreement: $35,000.00

2. Minimum annual rate of return for the first year: 2.2 x Investment Amount

3. Total amount to be paid by Seller to Buyer (the "LawMax Ownership Stake"):

On or before September 09, 2007	$63,000.00
After September 09, 2007 but on or before March 09, 2008	$77,000.00
After March 09, 2008 but on or before September 09, 2008	$91,000.00
After September 09, 2008 but on or before March 09, 2009	$105,000.00
After March 09, 2009 but on or before September 09, 2009	$122,500.00
After September 09, 2009 but on or before March 09, 2010	$140,000.00
After March 09, 2010	$157,500.00

*** CONSUMER'S RIGHT TO CANCELLATION: YOU MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE YOU RECEIVE FUNDING FROM BUYER. In order for the cancellation to be effective, you must either: (i) return the full amount of disbursed funds to Buyer by delivering Buyer's uncashed check to Buyer's office in person, within 5 business days of the disbursement of funds, or (ii) mail a notice of cancellation and include in that mailing a return of the full amount of disbursed funds (in the form of Buyer's check, or a registered or certified check or money order), by insured, registered or certified United States mail, postmarked within five business days of receiving funds from Buyer, at the following address: 459 Columbus Ave., Suite 299, New York, NY 10024.***

CLIENT'S INITIALS

LawMax tel. 212-480-3707 fax 212-480-3678

2. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

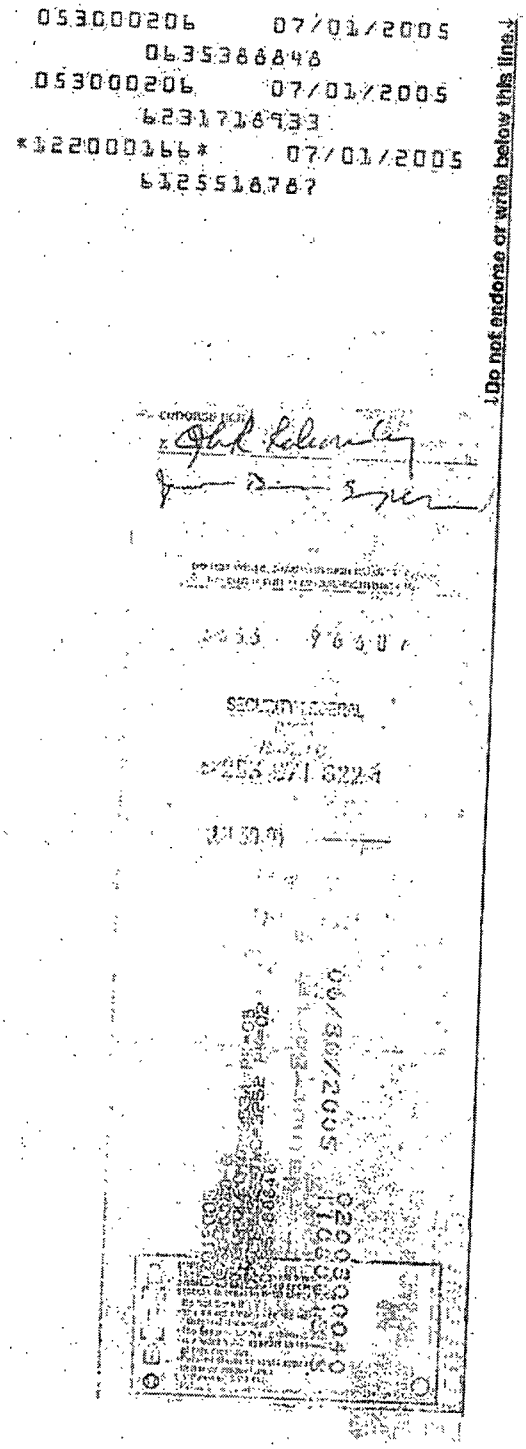
Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

NAME	AMOUNT	DATE
LIT Funding USA	$5,000 Paid	4/3/07
Resolution Settlement Corp.	$5000 Paid	10/2007

Law Office of John R. Rakowsky

BY: _____ Date: 3/15/07
John R. Rakowsky, Esq.

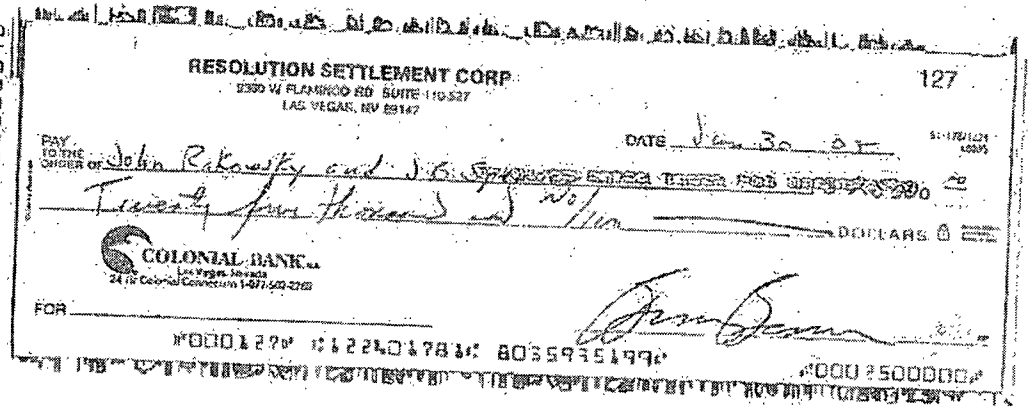
EXHIBIT "C"
1 of 3



122000166
07/01/2005
6125518787

This is a LEGAL COPY of your check. You can use it the same way you would use the original check.

[053002067] 07/01/2005 6353868848



"000127" ⑆122400788⑆ 803593519" "0002500000"

COLONIAL BANK

Questions about your account, call Colonial Connection: 877-502-2265

www.colonialbank.com

Business Edge Checking

ACCOUNT NUMBER 8035935199

STATEMENT PERIOD July 1, 2005 - July 31, 2005

Colonial Bank appreciates your business. Thank you for being our Customer.

RESOLUTION SETTLEMENT CORPORATION
9360 W FLAMINGO RD SUITE 110-527
LAS VEGAS NV 89147

Account Summary

Previous Balance	$ 54,790.73	Average Collected Balance	$ 18,812.91
Total Credit(s)	+ 54,000.00		
Total Debit(s)	- 44,907.30		
Service Charge	- 0.00		
Ending Balance	**$ 63,883.43**		

Account Details

Deposits and Other Credits

DATE	DESCRIPTION	AMOUNT
7/8	DEPOSIT	7,500.00
7/28	DEPOSIT	46,500.00

Checks Paid

▲ indicates check missing in sequence

CHECK	DATE	AMOUNT
127	7/1	25,000.00
129 ▲	7/11	1,000.00
130	7/8	500.00
131	7/7	478.02
132	7/7	216.00
134 ▲	7/7	17,000.00
135	7/21	45.00
136	7/27	43.28
137	7/18	425.00
138	7/21	200.00

Daily Balance Summary

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
6/30	54,790.73	7/8	19,096.71	7/21	17,426.71
7/1	29,790.73	7/11	18,096.71	7/27	17,383.43
7/7	12,096.71	7/18	17,671.71	7/28	63,883.43

RESPECTFULLY SUBMITTED
This 29th day of August, 2011. By:

James Brian Spencer, Plaintiff, ***Pro Se***
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

Doris E. Holt, (Deceased), Plaintiff, ***Pro Se***
Suite 183 by Administrator of Estate
7001 Saint Andrews Road
Columbia, SC 29212

Rodney K. Lail, Plaintiff, ***Pro Se***
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212
(843) 626-3229

Irene Santacroce, Plaintiff, ***Pro Se***
1836 Tall Pines Circle
Columbia, SC 29205
(843) 455-0891

Ricky Stephens, Plaintiff ***Pro Se***
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

Marguerite Stephens, Plaintiff, ***Pro Se***
207 Deer Trace Circle
Myrtle Beach, SC 29588

CERTIFICATE OF SERVICE

I, James Spencer, *Pro Se*, do hereby certify that the foregoing **CERTAIN DEFENDANTS' AMENDED RESPONSE AND COUNTER CLAIMS IN RESPONSE TO JOHN RAKOWSKY'S SECOND AMENDED COMPLAINT FOR INTERPLEADER** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Stephanie Weissenstein, Esquire
Ballard Watson Weissenstein
PO Box 6338
West Columbia, SC 29171

Defendant Adrian Lee Falgione, *Pro Se*
Law Offices of Adrian Lee Falgione, LLC
P O Box 277
Lexington, SC 29071

Andrew F. Lindemann
Davidson & Lindemann, P.A.
for Defendant Horry County, SC
PO Box 8568
Columbia, SC 29202

FILED
2011 AUG 29 AM 10:59
JEANNE D. W. [illegible]
C.C.P. & G.S.

This 29th day of August, 2011

By: _____
James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

STATE OF SOUTH CAROLINA)	
)	COURT OF Common Pleas
County of Richland)	2008-CP-40-6656
)	
)	
John R. Rakowsky,)	
)	
Plaintiff)	
)	
vs.)	TRANSCRIPT OF RECORD
)	
Adrian L. Falgione,)	
and The Law Offices of)	
Adrian Falgione, LLC,)	
James Spencer, Estate)	
of Doris Holt, Rodney)	
Lail, Irene Santacroce,)	
Marguerite Stephens,)	
Ricky Stephens.)	
)	
Defendants)	
STATE OF SOUTH CAROLINA)	
)	COURT OF Common Pleas
County of Richland)	2011-CP-40-5384
)	
)	
James Spencer,)	
Individually, on behalf)	
of the Estate of Doris)	
Holt and on behalf of)	
Southern Holdings, and)	
Irene Santacroce,)	
)	
Plaintiffs)	
)	
vs.)	TRANSCRIPT OF RECORD FOR
)	BOTH CASES HEARD JOINTLY
John R. Rakowsky,)	
Adrian L. Falgione,)	
and The Law Offices of)	
Adrian Falgione, LLC)	
Defendants.)	

May 7, 2012
Columbia, South Carolina

BEFORE:

The Honorable James Barber, III, Judge

APPEARANCES:

Stephanie Weissenstein, Esq.

Amanda Dudgeon, Esq.

Adrian Falgione, Esq.

Benjamin Bruner, Esq.

James Spencer, Appearing Pro Se

KAREN AMBROZIAK
Official Court Reporter

CONTENTS:

WITNESSES:

(There were no witnesses called.)

EXHIBITS:

(There were no exhibits introduced.)

CERTIFICATE OF REPORTER 70

not supposed to be interpleaded and for ---

THE COURT: Well, and that won't be dealt with prior to trial.

MR. SPENCER: Okay.

THE COURT: Because that won't be --- what you will probably have to do is seek some sort of frivolous action if, in fact, they're not there.

MR. SPENCER: That's part of our counterclaim.

THE COURT: All right. Well, that will have to be decided in the whole picture.

MR. SPENCER: We have a motion to amend our answer for a counterclaim and for a jury trial.

THE COURT: Well, I don't think it's for a jury trial.

MR. SPENCER: All right. Our counterclaim ---

THE COURT: It's an equitable action.

And you have a proposed counterclaim?

MR. SPENCER: Yes, sir.

THE COURT: On the amended complaint?

MR. SPENCER: We have had an amended complaint and counterclaim since August of 2011.

THE COURT: Have you seen the amended complaint?

MS. WEISSENSTEIN: Your Honor, I couldn't understand what he just said.

THE COURT: He said that since August of 2011, he

had filed a motion to amend the answer and the counterclaim and when he did that, he submitted a proposed answer and counterclaim, which is what you're required to do. Are you going to fighting him on the amendment? You're going to lose. Do you want to fight him?

MS. WEISSENSTEIN: Your Honor, I believe that an order of August 3rd, 2011 addressed that motion.

THE COURT: Let me see it.

MS. WEISSENSTEIN: I'm sorry?

THE COURT: Let me see it.

MS. WEISSENSTEIN: I don't have that with me today, Your Honor.

THE COURT: Why wasn't it filed?

MS. WEISSENSTEIN: Because, Your Honor, I believed that we were here to schedule the outstanding motions and not litigate the issues.

THE COURT: We're here to determine the status of the thing. I'm not litigating it, but you know as well as I do, the rules liberally allows for amended pleas, so you're probably going lose that.

What I'm trying to figure out is the if he amends, when can they do the depositions and let's go ahead and schedule the hearing on the merits of the interpleader action.

MS. WEISSENSTEIN: Your Honor, if the --- this action has been pending since 2008. He could have moved for the depositions a long time ago, and we would object to any further discovery at this point. It's an interpleader action.

THE COURT: I don't care. We're going to give him an opportunity to do it. We are going to give everybody an opportunity to do what they need to do before we go to a hearing, but we're going to schedule a hearing. If they don't do it before we go to the hearing, then they're going to give up their right to do it. I want to get the issues framed so that everybody knows what it is we're talking about when we go to a hearing.

What you need to do is consent to his amending the answer and the counterclaim, let's get on with that. Find out when it is he can take these depositions, let's get on with that and schedule a hearing.

MS. WEISSENSTEIN: All right, Your Honor. We'll consent to him filing his amended.

THE COURT: All right, they're consenting to allow you to amend your answer and counterclaim, so get them filed and get them served.

MR. SPENCER: Yes, sir.

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

John R. Rakowsky,

Plaintiff,

v.

Adrian L. Falgione, James Spencer, Estate of Doris Holt, Rodney Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Horry County, South Carolina

Defendants.

Case No. 2008-CP-40-6656

RICHLAND COUNTY
FILED
2011 AUG 30 PM 2:33
JEANETTE W. WALLACE
C.C.P. & G.S.

CORRECTED MOTION TO AMEND ANSWER

NOTICE IS HEREBY GIVEN THAT Certain Defendants[1] ("Defendants") moves this Honorable Court, pursuant to SCRCP Rule 15, for an order permitting Defendants to amend Defendants' Answer to the Plaintiff's Second Complaint in accordance with: (1) Defendants' Second Amended Complaint, (2) the Plaintiff's Motion to Strike and File Under Seal, (3) the Death of Defendant Doris Holt, (4) the May 5, 2011 SC Probate Court's appointment of an Administrator for the Doris Holt Estate, (5) Plaintiff's May 16, 2011 Motion

[1] The "Defendants" as a group are composed of, the Estate of Doris Holt, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Rodney Lail and James Spencer.

and Affidavit of Default, (6) the Motions hearing held on July 11, 2011, (7) the defining actions taken by Plaintiff's counsel, Defendant Adrian Falgione, Defendant Horry County's counsel Andrew Lindemann in concert, and (8) the Court Order received by the Defendants on August 11, 2011.

The grounds for this motion are that based on: (1) Prior to the establishment of her estate, Doris Holt was wrongfully held in isolation and in alleged violation of a Court Order in another legal proceeding for over nine months and wrongfully restrained in alleged violation of SC State law as of July 29, 2009 until her death from executing documents herself or having documents executed by her duly appointed durable power of attorney in this matter, (2) the substitution as a Defendant the Estate of Doris Holt for Defendant Doris Holt, (3) discovery of evidence (after July 12, 2011) supporting counter claims against the Plaintiff by the Defendants, and (4) the discovery on and after July 11, 2011, of documentation of Plaintiff, Plaintiff's counsel, Defendant Adrian Falgione and Defendant Horry County's counsel, Andrew Lindemann, allegedly participated in unethical ex parte communications with the Court. In support of this motion, Defendants respectfully submit the following:

1. This matter is before the Court on Plaintiff's request to interplead certain funds related to protracted litigation and appeals in a separate matter.

2. Defendants are informed and believe that Plaintiff wrongfully has inserted, withdrawn and/or omitted various parties, which led to the multiple versions of the Plaintiff's Interpleader Complaint.[2]

3. Defendants are informed and believe that Plaintiff knew or should have known at the time of his insertion, withdrawal and omission of various parties, that such action was wrongful.

4. Defendants are informed and believe that Plaintiff misused this Court to circumvent Plaintiff's obligations under the South Carolina Rules of Professional Conduct 1.16 and Rule 417, SCACR.

5. SCRCP Rule 15(a) permits amendments of pleadings before trial, with leave of Court, or by the opposing parties' written consent. In this case, the Defendants seek to amend pleadings based on the documentation recently discovered by the Defendants and the Plaintiffs refusal to provide documentation despite repeated requests for production that have gone unanswered. "Pleadings may be amended by leave of Court, which 'shall be freely given when justice so requires and [it] does not prejudice any other party.'" *Griffith v. Griffith*, 332 S.C. 630, 506 SE2d 526, 529 (Ct. App. 1998).

[2] First Interpleader Complaint dated September 12, 2008; the 1st Amended Interpleader Complaint dated November 14, 2008, the 2nd Amended Interpleader Complaint (Version 1) dated July 28, 2010, and the 2nd Amended Interpleader Complaint (Version 2) dated December 3, 2010.

6. Rule 20(a) permits joinder of parties (the Estate of Doris Holt) who are interested in claims that arise out of the same transaction or occurrence, and who share in common at least one question of law or fact. *Ellis v. Oliver*, 307 SC 365, 367, 415 SE2d 400, 401 (1992). Upon information and belief, the amended pleading will finally ensure all interested parties are allowed to be heard in this matter.

Wherefore, having fully set forth the grounds for the relief requested, Defendants move for an order granting Defendants permission to file and serve their proposed Amended Answer to Plaintiff's Second Amended Complaint **(attached hereto).**

RESPECTFULLY SUBMITTED
This 30th day of August, 2011, By:

James Brian Spencer, Plaintiff, ***Pro Se***
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

Doris E. Holt, (Deceased), Plaintiff, ***Pro Se***
Suite 183 by Administrator of the Estate
7001 Saint Andrews Road
Columbia, SC 29212

Rodney K. Lail, Plaintiff, ***Pro Se***
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212
(843) 626-3229

Irene Santacroce, Plaintiff, ***Pro Se***
1836 Tall Pines Circle
Columbia, SC 29205
(843) 455-0891

Ricky Stephens, Plaintiff ***Pro Se***
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

Marguerite Stephens, Plaintiff, ***Pro Se***
207 Deer Trace Circle
Myrtle Beach, SC 29588

CERTIFICATE OF SERVICE

I, James Spencer, *Pro Se*, do hereby certify that the foregoing **CORRECTED MOTION TO AMEND ANSWER** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Stephanie Weissenstein, Esquire
Ballard Watson Weissenstein
PO Box 6338
West Columbia, SC 29171

Defendant Adrian Lee Falgione, *Pro Se*
Law Offices of Adrian Lee Falgione, LLC
P O Box 277
Lexington, SC 29071

Andrew F. Lindemann
Davidson & Lindemann, P.A.
for Defendant Horry County, SC
PO Box 8568
Columbia, SC 29202

RICHLAND COUNTY
FILED
2011 AUG 30 PM 2:33
JEANELLE W. McBRIDE
C.C.P. & G.S.

This 30th day of August, 2011

By: _____
James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS

Case No. 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

v.

Adrian L. Falgione, James Spencer, The Estate of Doris Holt, Rodney Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Horry County, South Carolina.

Defendants.

2014 JAN 30 PM 1:31

OBJECTIONS TO PLAINTIFF RAKOWSKY'S CLAIM AGAINST INTERPLED FUNDS

NOW COMES THE UNDERSIGNED, as counsel for defendants Irene Santacroce, and Rodney Lail **(hereinafter the "defendants")** and hereby objects to the claim made by plaintiff John Rakowsky as to funds he is owed out of the $55,000.00 of "pseudo" settlement funds[1] which are a subject of this litigation. In support of their objection the defendants respond to the plaintiff's claim as follows:

[1] Under South Carolina law this case has not been settled and the Plaintiff knows this is case has not been settled. Decisively, there was no ***required written authorization*** received from the seven diverse plaintiff/clients authorizing the negotiation of a settlement by their attorneys. This is a prerequisite before an aggregate settlement can be finalized under applicable substantive law, South Carolina Court Rule 407, 1.8 (g). **The lack of the existence of the *required written authorization* is definitive *prima facie* evidence that there could be no legally binding settlement under *any set of circumstances*, *emphasis added*, in the present case. Unless plaintiff Rakowsky can produce such a document, there simply is no settlement under the law and therefore he has no claim. Plaintiff's acceptance of funds to impose**

1. Admitted.
2. Denied.
3. Denied as to both the amount of litigation funds remaining that are in dispute and also the fact that the underlying case has not been settled under the law.
4. Denied. Mr. Rakowsky is not entitled to receive a portion of the funds proffered for the Interpleader in this matter for attorneys' fees for his service in the federal court action. Pursuant to the fee agreement ***(Plaintiffs Exhibit "A"*** attached hereto), neither Mr. Rakowsky nor any other attorney has met any of the terms and conditions necessary for payment of fees for services.

First, Mr. Rakowsky's claim of 40% of the $55,000.00[2] is a contingency percentage that is applicable only if the trial is commenced ***(See Exhibit A, lines 9 and 10 on page one).*** This case has not gone to trial and the trial never was commenced. Therefore, Mr. Rakowsky at most could claim 33%. However, the only possible way the 33% contingency fee is applicable is if the total dollars of recovery from the litigation exceeds the costs incurred since April 1, 2005; ***(See Exhibit A, page one, lines 6, 7 and 8).*** However, Plaintiff Rakowsky's own accounting he presented to the court documents that costs were in excess of $57,000.00, therefore, Mr. Rakowsky is entitled to nothing under the terms of the representation agreement ***(See Exhibit B, attached hereto.)***

Consequently, Mr. Rakowsky under the terms of the Contract of Representation executed by plaintiff Rakowsky, ***Exhibit A,*** is not entitled to any

---

a wrongful settlement necessitates the funds be removed from plaintiff's control and placed with the Court forthwith to earn interest, an action long sought by the undersigned defendants.

[2] The $55,000 is used here for illustrative purposes only by the defendants. The defendants are in no way claiming there was a settlement of the case but are responding to plaintiff Rakowsky's baseless claim of being owed money from the $55,000 imposed, pseudo settlement.

fees under the terms and conditions mutually agreed to. Forty percent of nothing or thirty-three percent of nothing is still nothing. This is clearly his entitlement under the agreement.

Further, John Rakowsky unilaterally resigned from the case. This entitles him to ***nothing (Emphasis added)*** in terms of remuneration under the agreement ***(Exhibit A)***.

The Contract of Representation and Addendum were drafted by defendant James Spencer. As the drafter of the agreement he is in a unique position to identify and define the "clear intent" of the terms of the agreements. He knows what he intended to draft. His interpretation of the meaning and intent of the agreement must be given great weight. Please see attached sworn declaration by James Spencer (***See Exhibit C***).

RESPECTFULLY SUBMITTED
This 26th day of January, 2014.
By:

Michael G. Sribnick, M.D./J.D., LLC
3 Kenilworth Avenue
Charleston, S.C. 29403
Phone: (843) 789-3504
Fax: (843) 720-8907
michael.g.sribnickmdjdllc@gmail.com

EXHIBIT "A"
Page 1 of 14

MARK W. HARDEE
Attorney at Law
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

STATE OF SOUTH CAROLINA)
) CONTRACT OF REPRESENTATION
) (CONTINGENCY FEE AGREEMENT)
COUNTY OF RICHLAND)

James Spencer formerly known as Robert Holt ("Client") hereby employs and retains Mark W. Hardee, John R. Rakowsky, and Ron Serota, Attorneys at Law ("Law Firm") to represent his interests in connection with the aforesaid matter, and in connection with all damages and/or injuries related thereto.

Client agrees to pay to the Law Firm a contingency fee. The Law Firm's contingency fee shall equal one-third of any and all monies received by way of settlement after deducting an amount equivalent to direct case and litigation expenses incurred and or paid from April 1, 2005, regardless of whether such settlement occurs before or after suit is brought and filed in this case. The contingency fee component of the aforementioned equation herein increases from one third to 40 percent of total judgment once the trial is commenced. Client understands that the aforesaid attorneys' fees will be deducted from the gross recovery less direct case related expenses paid and/or incurred from April 1, 2005, and that the said case expenses associated with this matter will be paid after attorneys' contingency fees have been paid in full. The remainder, after attorney contingency fees are taken out, will be further reduced by the repayments of amounts paid and/or owed as authorized by Client of case related costs and expenses paid and will be deducted after attorney contingency fees and prior to any personal recovery to Client.

EXHIBIT
A

After each individual Law Firm member as defined herein receives one hundred thousand dollars in compensation from this case in sum total from all Clients in this case, the residual base that will be used to multiply the contingency fee component to determine remaining Law Firm compensation, will be reduced by all case related expenses incurred and paid prior to April 1, 2005.

If settlement of this case is made by a structured settlement, attorneys' fees will be computed based on one third of the total present day value of the settlement after an amount equivalent to expenses incurred is deducted from the formula accounting for expenses in the same manner as applicable as defined above. The contingency amounts of the attorneys' fees shall be paid out of the initial cash payment.

Client empowers the aforesaid Law Firm to take all steps in this matter deemed by Law Firm to be advisable.

Client specifically acknowledges that the Law Firm has made no guarantee regarding the successful completion of the aforesaid claim and that all expressions relative thereto are matters of opinion only.

It is agreed and understood between the parties that Client will be responsible for all reasonable non-overhead related direct costs and expenses in addition to the agreed legal fee and will pay such reasonable non-overhead related direct costs and expenses as are required by law and additional costs as shall be agreed to by Client as part of the necessary non-overhead related direct expenses and costs with reference to the above described matter. Client agrees to escrow with the Law Firm the sum of -0-.

Client agrees that a full time law clerk dedicated to this case will be hired and compensated by Client as a cost of this litigation as defined herein.

Law Firm is to keep accurate hourly records due to nature of the case and that if any representation fees are awarded using hours worked, the hourly fees generated will offset the

contingency fees up to the 40% level as computed herein above. Law Firm agrees to structure any hours incurred in this case by Gene Waas and Jimmy Cooper in such a manner to be eligible for such a court awarded formula that would not impact financial proceeds to either Law Firm or Client.

If any such hours are used in this case and are not reimbursed by the court for the work of Gene Waas and Jimmy Cooper, these hours will be paid by the Law Firm and Client out of the funds received from the settlement or court ruling at the applicable rate of one third or forty percent by the Law Firm and two thirds or sixty percent by the Client. If Gene Waas and Jimmy Coopers' contingency hourly fees are not awarded by the court and Client does not prevail to an extend that covers the contingent legal fees due Gene Waas and Jimmy Cooper, then no fees of any kind will be due to Gene Waas and Jimmy Cooper by either Law Firm or Client.

Should suit be filed, Client understands that in the event that an adverse result occurs, Client may be responsible for costs incurred by opposing party(ies) and in some cases, attorney fees.

The parties hereto further agree that Law Firm is not obligated to represent Client in any appeal if Client does not prevail. If Client prevails Law Firm agrees to represent Client in first round of appeals under the terms of this agreement if award to Client is in excess of one million dollars or potentially could be valued in excess of one million dollars.

Client agrees that Law Firm will have a lien on any funds received by way of settlement or judgment to the extent of its contingency fees and mutually agreed upon reasonable direct costs not paid by client.

Client agrees to assist and cooperate with the Law Firm to the extent it is requested to do so by the Law Firm. Client further acknowledges that should Client fail to so assist and cooperate with the Law Firm, the Law Firm shall have the right to cancel this agreement.

Client understands that there are some types of cases in which attorneys' fees may be awarded by a court to a party. Should Client's case be one of those types of cases, and should a court

award attorneys' fees in Client's behalf, then Client acknowledges and understands that they will be responsible for the difference, if any, between the attorneys' fees established by this Agreement and such attorneys' fees as may be awarded and recovered in this matter.

Law Firm is hired to represent Client in the aforesaid matter only. Law Firm does not undertake to represent Client on other matters, or to represent any related interest or parties. Law Firm may represent Client with adverse interests in unrelated matters.

This agreement does not include the Law Firm providing any tax advice to Client, and Client may not rely on the Law Firm for tax advice on any aspect of Client's case, including, but not limited to: (1) tax implications of settlement proceeds or verdict proceeds; (2) deductibility of attorneys' fees or costs. Client should consult with a tax advisor on all such issues.

Each party to this contact agrees to be solely responsible for any and all taxes from any entity assessed on the amount of the individual proceeds the party individually receives under this agreement.

This is the entire agreement between Law Firm and Client and can be amended by signed writing only.

In the event the Law Firm is dismissed by Client, Law Firm shall be paid per *quantum meruit*.

WITNESS our hands and seals this 27th day of May, 2005.

James B. Spencer

John R. Rakowsky
Attorney at Law

Mark W. Hardee
Attorney At Law

Ron Serota
Attorney at Law

Addendum to
Contract of Representation
(Contingency Fee Agreement)
Executed on or about May 27, 2005
Between "Law Firm" and "Clients"
Regarding case Number 02-1859
As listed on the Docket of the Florence Division
of the South Carolina Federal District Court

This addendum is necessitated by the withdrawal of Mark Hardee from the Law Firm (Law Firm as defined within the Contract of Representation) and Mark Hardee's release of any and all claims against any potential recovery in this case.

Adrian L. Falgione, Attorney at Law, has replaced Mark Hardee and as such under the terms of his retention, Mr. Falgione shall be entitled to the specific funds Mark Hardee would have received under the terms of the Contract of Representation executed between Clients and Law Firm and assumes the associated responsibilities formerly performed by Mark Hardee under the terms and conditions of the Contract of Representation as of November 15, 2006, the date the Motion for the Substitution of Counsel was filed with the Court.

This Addendum has no effect on any and all terms and conditions of the Contract of Representation executed on or about May 27, 2005, between the Law Firm and the Clients. This Addendum is a confirmation of the agreement to retain Adrian Falgione as counsel and compensate Mr. Falgione with the funds that would have gone to Mark Hardee under the terms of the Contract of Representation whom Mr. Falgione replaced.

This Addendum is mutually agreed to by the Law Firm, James B. Spencer and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

James B. Spencer

Notary
My Commission Expires February 3, 2007

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Irene Santacroce and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Irene Santacroce

Marguerite S Stephens
My Commission Expires
February 6, 2012

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Ricky Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Ricky Stephens

Adrian Falgione
Attorney at Law

Marguerite S. Stephens
My Commission Expires
February 8, 2012

This Addendum is mutually agreed to by the Law Firm, Marguerite Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Marguerite Stephens

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Doris Holt and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Doris Holt

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Southern Holdings, Inc., Nicholas C. Williamson for Southern Holdings, Inc., Nicholas C. Williamson individually and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Nicholas C. Williamson
as CEO and Chairman of
of Southern Holdings, Inc.

Adrian Falgione
Attorney at Law

Nicholas C. Williamson
Individually

Irene Santacroce
Corporate Secretary

Marguerite S. Stephens
My Commission Expires
February 3, 2012

Notary
My Commission Expires February 3, 2012

EXHIBIT "B"
Page 1 of 4

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Ross Ballard, Jr.
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 8123 | West Columbia, SC 29171
220 State Street | West Columbia, SC 29169 | phone 803.796.4611 | fax 803.796.4686 | deseballard.com

Thursday, September 15, 2011

Via U.S. Mail and Email
James Spencer
7001 Saint Andrews Road
Box 183
Columbia, SC 29212

Re: *John Rakowsky vs. Adrian Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Mr. Spencer:

In response to the multiple copies of your letter dated September 11, I assure you that snide remarks and attempts to harass counsel will not bear fruit. Our position as to your discovery requests has been made clear to you, on several occasions. Nevertheless, attached hereto is another copy of the accounting of the funds in trust.

Sincerely yours,

Stephanie Weissenstein

Stephanie Weissenstein
stephanie@deseballard.com

c. John Rakowsky
Adrian Falgione

(ATTACHMENT #2

EXHIBIT "B"
Page 2 of 4

Deposits.....$ 67500.00

Expenses: Thru 8/01/06

S. Smith.....1250.00

postage.....23.65

Forensic Analysis (S.Cain).....11000.00

R. Serota (Expenses).....1050.00

Equipment.....615.00

Copies.....28.50

Copies/Ikon.....315.15

M. Hardee.....150.00

Garber Reporting.....379.45

Garber Reporting.....508.80

Copies/Ikon.....418.49

Copies/Ikon.....69.63

Copies/Ikon.....50.65

Copies/Ikon.....73.22

J. Spencer (Personal Advance).....2500.00

Kim Sellers.....1980.00

Clerk of Court/Jury Info Misc.....175.00

Ct. Of Appeals.....170.00

Long Distance.....78.53

Marybeth Celler.....2055.00

Eugene Chewning.....6306.25

Glenn Harrison.....2646.18

Federal Court.....175.00

Postage.....37.00

Glenn Harrison.....6094.00

J. Spencer (Personal Advance).....5000.00

Long Distance.....170.55

Misc Supplies.....128.28
Copies/Ikon.....365.30
Long Distance.....374.50
Gibson Moore Appellate Services.....361.28
Sub Total Expenses Thru 8/01/06.....$4547.41

8/01/06 Balance.....$22,952.59

Allen Geoghgan.....500.00
Misc. Supplies.....97.50
J. Spencer (Personal Advance).....1500.00
Long Distance.....76.73
John O'Leary.....3000.00
Forensic Tape Analysis..Steve Cain.....900.00
Long Distance.....37.38
J. Spencer.....1200.00
Adrian Falgione..Copies.....600.00
John Rakowsky...Travel Costs.....697.50
M & M Document Center.....117.13
Supplies, Binders, Copies.....345.00
Al Cannon.....800.00
Adrian Falgione..Long Distance.....650.00
Southern Reporting.....283.40
Spectrum Reporting.....100.00
Rose Reporting.....291.20
Creel Reporting.....100.00
Spectrum Reporting.....445.00
Williams Reporting.....144.00

EXHIBIT "B"
Page 4 of 4

Spectrum Reporting	135.50
John O'Leary	1106.40
Sub Total Expenses Thru 9/01/07	$13,096.74

Balance on Account for James Spencer	$9,855.85

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND Case No. 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

v.

Adrian I. Falgione, James Spencer, The Estate of Doris Holt, Rodney Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Horry County, South Carolina.

Defendants.

EXHIBIT "C"

Declaration

1. The information in this declaration is based on my personal knowledge.

2. I drafted the attached representation agreement and addendum at both John Rakowsky's and Adrian Falgione's respective requests.

3. I was present when John Rakowsky executed the representation agreement and Adrian Falgione executed the representation addendum.

4. When John Rakowsky and Adrian Falgione executed the representation agreement and addendum respectively they each indicated that they understood and agreed to the terms of the representation agreement.

5. It was my intent in drafting the agreement and all signatories understood that John Rakowsky and any other attorney who represented the plaintiffs in the underlying case were not to receive any compensation if the direct costs of litigation exceeded the recovery from the defendants in the underlying case.

6. It was my intent as the drafter of the representation agreement that John Rakowsky and any attorney who unilaterally resigned from representing the plaintiffs was not entitled to receive any compensation under the terms of the agreement that is executed and attached to this declaration. This was understood by all the attorneys at the time of their execution of the representation agreement and/or addendum.

Affiant further sayeth naught.

I affirm that the above is true to the best of my knowledge and recollection under penalty of perjury.

This January 24, 2014.

By:

James Spencer
Suite 183
7001 Saint Andrews Rd.
Columbia, SC 29212

CERTIFICATE OF SERVICE

I, Michael Sribnick hereby certify that the foregoing **OBJECTION TO PLAINTIFF RAKOWSKY'S CLAIM AGAINST INTERPLED FUNDS** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Stephanie Weissenstein, Esquire
Ballard Watson Weissenstein
PO Box 6338
West Columbia, SC 29171

Adrian Lee Falgione
Law Offices of Adrian Lee Falgione, LLC
P O Box 277
Lexington, SC 29071

Andrew F. Lindemann
Davidson & Lindemann, P.A.
PO Box 8568
Columbia, SC 29202

Estate of Doris Holt
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

Marguerite Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29588

Ricky Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29212

James Spencer, *Pro Se* Defendant
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

2014 JAN 30 PM 1:31

This 26th day of January, 2014.

Michael G. Sribnick, M.D., J.D., LLC
3 Kenilworth Avenue
Charleston, S.C. 29403
Phone: (843) 789-3504
Fax: (843) 720-8907
michael.g.sribnickmdjdllc@gmail.com

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND Case No. 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

v.

Adrian L. Falgione, James Spencer, Estate of Doris Holt, Rodney Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Horry County, South Carolina,

Defendants.

2011 DEC 20 PM 4:25

CERTAIN DEFENDANTS'[1] EXPEDITED MOTION FOR SANCTIONS PURSUANT TO RULE 11(a) OF THE SOUTH CAROLINA RULES OF CIVIL PROCEDURE

COME NOW Certain Defendants, and move for sanctions under Rule 11(a) of the South Carolina Rules of Civil Procedure against Stephanie Weissenstein, Esquire (hereinafter referred to as "Weissenstein") and/or Plaintiff John Rakowsky.

[1] Ricky Stephens, *Pro Se*, Irene Santacroce, *Pro Se*, Marguerite Stephens, *Pro Se*, James Spencer, *Pro Se*, Rodney Lail, *Pro Se and* the Estate of Doris Holt, *Pro Se* hereinafter referred to as the "stigmatized defendants".

POINTS AND AUTHORITIES

Discussion

I. INTRODUCTION

In **July of 2007**, Plaintiff John Rakowsky unilaterally resigned from representing the "stigmatized defendants", and Southern Holdings, Inc., (hereinafter "former clients") which comprise all the known clients of Plaintiff John Rakowsky and Defendant Adrian Falgione in the litigation of *Southern Holdings, Inc., et al. vs. Horry County*, et al. **Case No: 02-CV-01859-RBH ("Southern Holdings")**. The former clients in the Southern Holdings case jointly requested in writing a return of any and all the remaining litigation funds[2] in a manner to be determined and directed by Defendant James Spencer (hereinafter "Spencer").[3] The remaining litigation funds is the subject of this Rule 11(a) Motion for Sanctions.

Additionally, the former clients requested a "full accounting" of all the litigation funds provided to Plaintiff John Rakowsky. Such a "full accounting" is required under

[2] Rakowsky interpled funds composed of $55,000.00 of disputed pseudo settlement funds and $9,855.00 of **undisputed remaining litigation funds**. The **undisputed $9,855.00 of remaining litigation funds** have been jointly sought by all the former clients including the "stigmatized defendants" without a scintilla of dispute amongst them since Rakowsky unilaterally resigned from representation of the former clients in July 2007.

[3] Furthermore, the three non party providers of funds to the former clients (LawMax, Lit Funding and Resolution Settlement Corporation had **unconditionally and contractually** released any claims on any remaining litigation funds that they had advanced in accordance with the terms of their contacts to advance the funds. All three contracts respectively were initiated and executed by Plaintiff John Rakowsky.

Rules 1.15(e) and/or 1.16(d) of the South Carolina Rules of Professional Conduct. [4] No funds or accounting were ever received.

In **August of 2007,** the former clients again jointly requested in writing the return of the remaining litigation fees to be handled as directed by Spencer and a "full accounting" of all the litigation funds provided to Plaintiff John Rakowsky and Defendant Adrian Falgione for the litigation of the Southern Holdings case. No funds or accounting were received.

In **January of 2008,** Defendants Spencer and Doris Holt once again requested in writing the return of the remaining litigation fees and a "full accounting" [5] of all the litigation funds provided to Plaintiff John Rakowsky and Defendant Adrian Falgione for the litigation of the Southern Holdings case, as required under Rules 1.15(e) and/or 1.16(d) of the South Carolina Rules of Professional ethics. No funds or accounting were received.

On **February 21, 2008,** in response to Defendants' requests for return of the remaining litigation funds and an accounting of funds provided to Plaintiff Rakowsky and Defendant Falgione, Weissenstein's law firm filed an *ex-parte* motion to interplead the remaining litigation funds in South Carolina Federal District Court in the case captioned *Southern Holdings, Inc., et al. vs. Horry County, et al.* Case No: 02-CV-01859-RBH **(See Docket #596).** Weissenstein's law firm wrongfully claimed that Plaintiff Rakowsky did not

[4] The scope of former clients' rights for a "full accounting" is defined under Rule 417 of the South Carolina Judicial Department **(See Exhibit "A").**

[5] Ibid.

know which client that he represented in the Southern Holdings case was to be paid the remaining $9,855.00 of litigation funds.

On **February 22, 2008**, unaware of the *ex-parte* filing, Defendant Spencer requested for a fourth time in writing the return (a carbon copy sent to Bruce Benson, the CEO of Resolution Settlement Corporation) of the residual litigation funds provided by RSC and an accounting of all the funds provided to Plaintiff John Rakowsky and Defendant Adrian Falgione for the litigation of the Southern Holdings case. **(See Exhibit "B".)**

On **August 12, 2008**, the South Carolina Federal District Court denied Weissenstein's firm's *ex-parte* motion related to the interpleading of the remaining litigation funds **(See Docket #666)**. After learning of the denial by the Federal District Court, each and every one of the "stigmatized defendants" called Plaintiff Rakowsky's office to request a return of the $9,855.00 in remaining litigation funds per their previous written instructions and to request an accounting of the disposition of all the litigation funds. Plaintiff Rakowsky, who answers his own telephone, refused to talk to each and every former client and hung up on each of them without comment when he was informed who was calling.

On **August 22, 2008,** attorney Weissenstein and/or her firm informed Defendant Spencer by mail that she had taken control of the remaining litigation funds and informed Defendant Spencer that he and the other former clients of John Rakowsky and Adrian Falgione in the Southern Holdings case were not to have any contact with their former attorney, John Rakowsky, and that if Spencer and the other former clients wanted access to

the remaining litigation funds and the financial records, Defendant Spencer and the other former clients of John Rakowsky and Defendant Adrian Falgione[6] would have to bring a lawsuit against John Rakowsky.

On **August 27, 2008,** attorney Weissenstein and/or her firm sent a second letter to Defendant Spencer and Bruce Benson, President of Resolution Settlement Corporation ("RSC"), a provider of litigation funds for Defendant Spencer, stating that RSC, Defendant Spencer and all other former clients in the Southern Holdings case would not be provided an accounting of the litigation funds and to refer to the contents of Weissenstein firm's August 22, 2008, letter referenced herein immediately above.[7]

On **September 12, 2008,** Weissenstein's firm on behalf of Plaintiff Rakowsky filed another Interpleader Complaint, this time in the South Carolina Court of Common Pleas in Richland County, South Carolina, and again wrongfully attempted to interplead the $9,855.00 in remaining uncontested litigation funds. In paragraphs 13 and 19 of the September 12, 2008, Interpleader Complaint, Plaintiff Rakowsky once again **knowingly and baselessly** claimed there were conflicting claims among his former clients in the Southern Holdings case as to who was owed the remaining litigation funds as the basis for interpleading the remaining litigation funds (purported to be $9,855.00 by Plaintiff

[6] Defendant Adrian Falgione has cut off any communication with his former clients in the Southern Holdings case since July 2007.

[7] The former clients of John Rakowsky in the Southern Holdings maintain such an accounting is due under Rules 1.15(e) and/or 1.16(d) of the South Carolina Rules of Professional Conduct and Rule 417 of the South Carolina Judicial Code.

Rakowsky) and, therefore, Plaintiff Rakowsky did not know to which former client(s) those remaining litigation funds should be refunded.[8]

II. PROCEDURAL HISTORY

On or about **October 20, 2008**, all the former clients of Plaintiff John Rakowsky in the Southern Holdings case, jointly filed documents with this Court, stating once again that there were no conflicting claims regarding the disposition of the remaining $9,855.00 in remaining litigation funds. Further, and the former clients again requested the financial documentation related to the disposition of all the litigation funds in the Southern Holdings case provided to John Rakowsky. Despite this notarized documentation being submitted to the Court and to Weissenstein and additionally testimony on the Court record by the former clients during the first hearing on these matters, attended by Weissenstein and Rakowsky, testimony which confirmed that there was no conflict as to the disbursement of the litigation funds[9], Weissenstein and her firm wrongfully continued to refuse to release the $9,855.00 in remaining litigation funds and duly amend Plaintiff Rakowsky's Interpleader Complaint to reflect the fact that there was in fact no conflict regarding the $9,855.00 in litigation funds. **(See Exhibit "C".)**

[8] This is untruthful as all the former clients had consistently directed Plaintiff Rakowsky numerous times regarding what to do with the remaining litigation funds, see previous paragraphs above.

[9] Weissenstein, Rakowsky and the Court were also presented a check for $25,000.00 during this initial hearing which was endorsed by John Rakowsky and deposited into his account from RSC and a copy of the signed notarized contract executed by John Rakowsky with RSC **(See Exhibit D, Pg. 9)** regarding the $25,000.00. John Rakowsky and Weissenstein continue to deny receiving monies from RSC and refuse to provide a full accounting of the litigation monies received and/or answer any discovery whatsoever. **(See Exhibit "D".)**

Over the ensuing years Weissenstein and/or her firm asked for several continuances to amend Plaintiff Rakowsky's Interpleader Complaint. The Interpleader Complaint revisions were needed as the "stigmatized defendants" answers to each successive version of the Interpleader Complaint left Plaintiff Rakowsky with no viable response, so his only alternative was to amend the Interpleader Complaint. [10] As just one example of why such amendments were necessary, John Rakowsky in the first version of his Interpleader Complaint, filed on September 12, 2008, acknowledged that he also represented Linda Williamson Lawrence and Ernest H. Morton in the same Southern Holdings litigation (which was a conflict of interest) and that they also had contributed part of the residual $9,855.00 in litigation funds. Linda Williamson Lawrence and Ernest H. Morton, realizing this would have been a conflict of interest, petitioned the Court and a Court Order was issued dismissing them out as Defendants in John Rakowsky's Interpleader Complaint on October 20, 2008.

On **December 1, 2009**, Defendant Spencer submitted his first request for production and his first round of interrogatories to Weissenstein to be answered by Plaintiff Rakowsky. Weissenstein failed to respond to the request for production and the interrogatories.

[10] Weissenstein amended the Interpleader Complaint on November 17, 2008, July 28, 2010, and again on December 3, 2010.

On **January 4, 2010,** Defendant Spencer's elderly mother, *Pro Se* Defendant Doris Holt, disappeared from a nursing home. It took 10 months to locate her even with the help of Governor Mark Sanford's Office.

On **July 10, 2010**, Bruce Benson, the CEO of RSC sent a notarized letter to Weissenstein, Spencer and the Court regarding Weissenstein and Rakowsky's refusal to acknowledge and account for the funding provided by RSC in the Southern Holdings case. **(See Exhibit "E".)**

On **January 7, 2011**, Defendant Spencer again submitted both his first request for production and his first round of interrogatories to Plaintiff Rakowsky as Weissenstein stated she never received the first requests for production and interrogatories from Spencer.

On or about **February 10, 2011**, *Pro Se* Defendant Spencer learned from Weissenstein that Plaintiff Rakowsky was not going to respond to the "stigmatized defendants" requests for production and interrogatories. The requests for production were only for documentation concerning the disposition of funds provided by the "stigmatized defendants" who were all former clients of Plaintiff John Rakowsky and Defendant Adrian Falgione. The requested documentation is required to be maintained and made available to clients and/or former clients under Rule 417 of the South Carolina Judicial Code in

conjunction with Rule 1.15(e) and/or 1.16(d) of the South Carolina Code of Professional Conduct.[11]

On **February 10, 2011**, *Pro Se* Defendant Spencer issued a subpoena in error, instead of a motion to compel, for the documents Weissenstein refused to produce despite the repeated requests for production that Weissenstein ignored.

On **February 13, 2011**, *Pro Se* Defendant Spencer had his mother *Pro Se* Defendant Doris Holt admitted to the hospital. Doris Holt subsequently died on February 19, 2011. Defendant Spencer was appointed Administrator of the Estate of Defendant Doris Holt on May 5, 2011.

On **May 11, 2011**, a roster hearing was held before the Honorable Judge George C. James, Jr.[12] In attendance were the "stigmatized defendants", many of whom live over five hours away.

On **June 24, 2011**, Plaintiff John Rakowsky's legal counsel, Weissenstein, filed an *ex-parte* motion for a "date certain" with the Honorable Judge Alison Renee Lee only notifying certain "handpicked" Defendants of the motion. Weissenstein notified only Plaintiff John Rakowsky, Defendant Adrian Falgione, Esquire and Defendant Horry County Counsel, Andrew Lindemann (collectively hereinafter known as the "chosen

[11] The documentation requested including copies of records of disbursements on the former clients behalf, bank statements, and records of deposits and withdrawals of the funds provided for by the "stigmatized defendants" for the litigation of the Southern Holdings case.

[12] Weissenstein, on behalf of Plaintiff John Rakowsky, arose first and requested a continuance as Plaintiff Rakowsky had a conflict in his schedule. The motion for continuance was granted.

handpicked parties").[13] Not notified of the **June 24, 2011** Weissenstein request/motion for a "date certain" were the "stigmatized Defendants".[14] **(See Exhibit "F".)**

On Thursday afternoon at approximately 5:00 PM on **July 7, 2011**, a letter was received by Spencer from Weissenstein's office notifying Defendant Spencer of a Docket Hearing and Trial scheduled for Monday, July 11, 2011, set by the Honorable Judge Lee. Weissenstein's notice was mailed the day before and effectively gave less than three days (only one working day) before the hearing, which effectively prevented Defendant Spencer from properly preparing himself or obtaining a legal counsel for a motions hearing and trial on July 11, 2011. Weissenstein's office's letter further instructed Defendant Spencer that he was charged with notifying the other "stigmatized defendants" of the hearing and trial on July 11, 2011. **(See Exhibit "G".)**

On **July 11, 2011**, despite the "stigmatized defendants" not receiving the required ten days notice,[15] the hearing was held. When Defendant Spencer, Defendant Lail and their lawyer requested a continuance based on the fact they were given inadequate notice and were not prepared and that the other defendants ["stigmatized defendants"] were not

[13] Not coincidently, the "chosen handpicked parties" are comprised of Plaintiff Rakowsky, Esquire and Defendant Falgione, Esquire, who represented the "stigmatized Defendants" in litigation and Andrew Lindemann, Esquire, who represented Defendant Horry County in that very litigation that gave rise to this Interpleader action before this Court case captioned above. **See cc listing on Exhibit "F".**

[14] Weissenstein blatantly lied in her June 24, 2011, ex-parte request for a date certain claiming that Defendant Spencer had requested the continuance on May 11, 2011, because, "some of the defendants would not be available to attend and he requested a continuance."

[15] According to Rule 6 of the South Carolina Rules of Civil Procedures, "A written motion other than one which may be heard ex parte, and notice of the hearing thereof, shall be served not later than ten days before the time specified for the hearing."

even properly notified of the hearing, their request for a continuance was denied by Judge Lee. [16]

On **July 12, 2011**, Defendant Spencer was notified that his subpoenas for records were quashed at the hearing held on July 11, 2011. Obviously, the "stigmatized defendants" were not prepared for the hearing, given the short notice by Weissenstein's office. Additionally, the unwitting "stigmatized defendants" **total lack of knowledge** of the existence of the *ex-parte* motion for a date certain filed by Weissenstein prevented the "stigmatized defendants" from responding to the untruthful and misleading contents of the motion for a date certain submitted to the Honorable Judge Lee by Weissenstein.

On **July 24, 2011**, Defendant Spencer filed a motion to compel the production of a proper accounting that is due to former clients, as specified in Rule 1.15(e) and/or 1.16(d) of the South Carolina Professional Code of Conduct and in Rule 417 of the South Carolina Judicial Code.

On **August 3, 2011**, Judge Seals signed an Order drafted by Weissenstein that claimed that the financial information sought by Defendant Spencer was confidential and was, therefore, not discoverable. However, the financial records Defendant Spencer sought were *solely* related to the litigation funding provided by the former clients to Rakowsky for the litigation of the Southern Holdings case.

[16] Ibid. Judge Lee stated to the unwitting "stigmatized defendants" present she would not allow the defendants ["stigmatized defendants"] to delay this case again. Judge Lee's baseless preconceived notion was apparently due to the untruthful claims by Weissenstein in the *ex-parte motion* for a date certain as the "stigmatized defendants" had never asked for a continuance from the Court of this case at any time.

On **August 22, 2011**, Defendant Spencer filed a Rule 59(e) Motion to amend Judge Seal's order to be in compliance with Rule 1.15 and 1.16 of the South Carolina Rules of Professional Conduct and Rule 417 of the South Carolina Judicial Code, and to both acknowledge and take into account the fact that the *ex-parte* filings were *wrongfully submitted* by Weissenstein both during the hearing and prior to the hearing. The *contents of both ex-parte submissions remain unknown to this date* to the "stigmatized defendants". **(See Exhibit "H".)**

On **September 10, 2011**, Defendant Spencer again resubmitted his first set of interrogatories to Weissenstein as Weissenstein claimed she had not received the previous submissions.

On **September 15, 2011**, a hearing was held before the Honorable Judge Barber on the motion to compel production filed on July 24, 2011. Judge Barber ruled he could not compel production of the financial records as Judge Seals had ruled they were confidential.

During the hearing Plaintiff Rakowsky admitted on the Court record **(See September 15, 2011, transcript, Pg. 22, lines 10 to 19, Pg. 23, lines 8 to 14, Pg. 24, lines 12 to 15)** there were no conflicting claims to the $9,855.00 of residual litigation funds, and Plaintiff Rakowsky further stated on the Court record **(See September 15, 2011, transcript, Pg. 21, lines 1 to 10)** that he had no objection, ***emphasis added***, to

refunding the [wrongly] interplead $9,855.00 in remaining litigation funds to the Defendants ["stigmatized defendants"]. **(See Exhibit "I")**

On **October 12, 2011**, Plaintiff Rakowsky submitted responses to Spencer's interrogatories. Plaintiff Rakowsky refused to answer each and every question as Plaintiff Rakowsky baselessly claimed that Judge Barber had orally ruled against discovery being conducted in this litigation. In that regard, Weissenstein also had deliberately drafted a proposed Order for Judge Barber to sign regarding the September 15, 2011, hearing that *wrongfully included a ruling against discovery, a ruling that Judge Barber never issued. The topic of not allowing discovery was not even discussed by any participant during the hearing.* **(See Exhibit "J".)**[17]

On **October 18, 2011**, Judge Barber issued his Order regarding the September 15, 2011 hearing. The Order *did not include Weissenstein's wrongful statement that Judge Barber had ruled against discovery in this case.* Weissenstein previously used this wrongful claim as the rationale for not answering the interrogatories (See October 12, 2011, herein). **(See Exhibit "K".)**

On **November 1, 2011,** Defendant Spencer received Judge Barber's Order. Defendant Spencer subsequently emailed Weissenstein and respectfully asked her to amend her answers to the interrogatories. Weissenstein refused to amend any answer,

[17] Weissenstein's document in response is both addressed to the wrong Defendant and is filled with typographic and other errors made by Weissenstein that make the questions asked by Defendant difficult to understand in some instances. The typographical and other errors were not in the interrogatories submitted by Spencer to Weissenstein.

including ones that had to do solely with the background and experience of Plaintiff Rakowsky, claiming *she, Weissenstein, was standing by her responses irrespective of Judge Barber's executed Order.* Ignoring Judge Barber's Order, Weissenstein refused to amend her refusal to answer every interrogatory question based upon Weissenstein's manifestly wrongful claim that Judge Barber had ruled against discovery in this case.

Additionally, on November 1st Defendant Spencer again respectfully asked Weissenstein to release the undisputed $9,855.00 in litigation funds that she was wrongfully trying to interplead and had wrongfully been withheld by Plaintiff John Rakowsky since July of 2007. Plaintiff Rakowsky, Weissenstein's client, agreed to return the $9,855.00 in undisputed litigation funds on the Court Record on September 15, 2011 **(See Exhibit "I").** Defendant Spencer pointed out to Weissenstein her refusal to return the uncontested litigation funds ***emphasis added*** was in clear violation of Rule 22 of the South Carolina Rules of Civil Procedure and that if she did not comply, sanctions would be appropriate.

Weissenstein responded that she would not release the undisputed litigation funds of $9,855.00 without a Court Order despite the admission on the Court record by all parties, including her client, that these funds were not in dispute. Weissenstein further stated she was cutting off all communication with Defendant Spencer as she would no longer "dignify Defendant Spencer's requests by a response." **(See Exhibit "M".)**

On **November 4, 2011**, Defendant Spencer was notified that Judge Seals had ruled against his 59(e) motion. On November 22, 2011, Defendant Spencer filed a notice of appeal on the merits of the denial of the 59 (e) motion with the South Carolina Appellate Court.

III. STANDARD OF REVIEW

Pursuant to Rule 11(a) of the South Carolina Rules of Civil Procedure, an attorney filing a written motion warrants that the factual representations have evidentiary support and the motion is not submitted for an improper motive.

> "The signature of an attorney or party constitutes a certificate by him that he has read the pleading, motion or other paper; that to the best of his knowledge, information and belief there is good ground to support it; and that it is not interposed for delay. . . . If a pleading, motion, or other paper is signed in violation of this Rule, the court, upon motion or upon its own initiative, may impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay to the other party or parties the amount of the reasonable expenses incurred because of the filing of the pleading, motion or other paper, including a reasonable attorney's fee." *Southeastern Site Prep, LLC v. Atl. Coast Builders & Contrs., LLC*, 394 S.C. 97, 108 (S.C. Ct. App. 2011).

The counsel has a duty, prior to filing a document, to conduct an examination of the facts alleged in that document.

> "Any person who takes part in the procurement, initiation, continuation, or defense of civil proceedings must be considered to have acted to secure a proper purpose as stated in item (1) of Section 15-36-10 if he reasonably believes in the existence of the facts upon which his claim is based and (1) reasonably believes that under those facts his claim may be valid under the existing or developing law; or . . . (3) believes, as an attorney of record, in good faith that his procurement, initiation, continuation, or defense of a civil cause is

> not intended to merely harass or injure the other party. See *Southeastern Site Prep, LLC v. Atl. Coast Builders & Contrs., LLC*, 394 S.C. 97, 108 (S.C. Ct. App. 2011).

Further, The South Carolina Federal District Court maintains that,[18]

> "In order to determine 'improper motive' under Rule 11, a court must judge the attorney's conduct under an objective standard of reasonableness rather than assessing subjective intent."
> *Fahrenz v. Meadow Farm I''ship*, 850 F.2d 207, 210 (4th Cir. 1988).

IV. DISCUSSION

The "stigmatized defendants" contend that Weissenstein, Counsel for Plaintiff Rakowsky, failed to determine if there were true conflicts between the "stigmatized defendants" as to who paid in the litigation funds and how the funds were to be refunded to the "stigmatized defendants", causing Plaintiff Rakowsky to wrongfully continue to withhold the funds since he unilaterally resigned from the Southern Holdings case in July of 2007. The funds and an accounting of which should have been tendered on or about the date of his resignation in July 2007, neither of which Plaintiff Rakowsky has provided to date. Weissenstein continues to wrongfully attempt to interplead the remaining litigation funds despite the fact that Plaintiff Rakowsky had already put on the Court record that there was no conflict regarding the disbursement of the $9,855.00 and that he had no objection to refunding the $9,855.00 to the defendants ["stigmatized defendants"].

[18] Plaintiff Rakowsky tried unsuccessfully to first interplead the litigation funds in South Carolina Federal District Court.

Moreover, Weissenstein stated on the Court record during the September 15, 2011, hearing that, "the account records as required by Rule 417 and Rule 1.15 have been created"[19] ***emphasis added***. If such was the case, *then there would have been no dispute as to the disposition of the $9,855.00 in remaining litigation funds* as the required records under Rule 417 would clearly identify the contributor of the funds and the directions as to how the remaining litigation funds of $9,855.00 were to be distributed. Therefore, either the records were not kept according to Rule 417, which is a violation of the Judicial Code by Weissenstein's client, Rakowsky, or the records would reveal both the documentation of agreement of the disbursement of the remaining $9,855.00 of litigation funds and also the disposition of the $60,000.00 in funds that have not been accounted for by Plaintiff Rakowsky. Under either alternative, and there appears to be no other legitimate explanation, the $9,855.00 in litigation funds was wrongfully interpled by Weissenstein, in a clear violation of Rule 11(a).

This wrongful action is further compounded by Plaintiff Rakowsky's refusing to produce, since July 2007, what should otherwise be benign financial records on the disposition of the litigation funds in the Southern Holdings case. The interpleading of the remaining litigation funds was not accomplished by Plaintiff Rakowsky and Weissenstein because there is a legitimate dispute as to the disposition of the remaining litigation funds, but rather, apparently, to wrongfully delay and withhold needed litigation funds

[19] See September 15, 2011 hearing transcript, Pg. 11, lines 14 and 15. **(See Exhibit "N".)**

that put a financial litigation roadblock in the path of the indigent "stigmatized defendants." This unjustified roadblock by Rakowsky and Weissenstein furthers their effort to keep the truth from being known about the disposition of the alleged missing $60,000.00 and/or the lack of proper record keeping under Rule 1.15(e) and 1.16(d) as defined by Rule 417 by Plaintiff Rakowsky.

Even when taken in the most favorable light to Weissenstein, Weissenstein failed to establish the validity of the representations she made to the Court by conducting a reasonable investigation as to whether there was, in fact, a dispute among the former clients as to the disposition of the residual litigation funds. A proper review of the records (Rule 417)[20] by Weissenstein would have revealed that all of the former clients of Plaintiff John Rakowsky in the Southern Holdings case had made it known there was no dispute as to the disposition of the litigation funds of $9,855.00. Without reviewing the records, Weissenstein and/or her firm filed the Interpleader action in South Carolina Federal District Court wrongfully including the $9,855.00 in 2008. Weissenstein's deliberately wrongful actions regarding the litigation funds are violations of Rule 11(a) of the South Carolina Rules of Civil Procedure and the *ex-parte* attempt to interplead the undisputed $9,855.00 in litigation funds in South Carolina Federal District Court was a violation of Rule 11 of the Federal Rules of Civil Procedure. Weissenstein, to further her cause of keeping the litigation funds and the related financial records out of the hands of

[20] Ibid.

the "stigmatized defendants", also took the following unethical actions to further illegitimately tie up the $9,855.00[21] of remaining litigation funds: **(1)** presented *ex-parte* evidence with Judge Lee and Judge Seals, respectively, the contents of which have been sealed by the Court and the contents of which are unknown to the "stigmatized defendants" to this date, **(2)** filed an *ex-parte* motion for a date certain containing untruthful claims about the "stigmatized defendants" delaying the case, **(3)** gave the "stigmatized defendants" notification of effectively less than three days, (including two weekend days), for a hearing set up by Weissenstein's wrongful filing of what is essentially an *ex-parte* motion for a date certain, **(4)** during the hearing on July 11, 2011, a hearing that resulted from the *ex-parte* filing for a date certain, Weissenstein wrongfully submitted *ex-parte* evidence to Judge Seals, resulting in Judge Seals ruling that an accounting of funds required to be given to clients and/or former clients under Rule 1.15 and/or Rule 1.16 of the South Carolina Rules of Professional Conduct and Rule 417 of the South Carolina Judicial Code was going to be denied to "the stigmatized defendants", **(5)** based on that unethically obtained ruling, Weissenstein unilaterally expanded the scope of Judge Seal's Order and refused to participate in any discovery of any nature with the "stigmatized defendants" despite multiple requests for production and interrogatories that had been submitted years prior to and after the July 11, 2011 hearing; **(6)** During the September 15, 2011 hearing, Weissenstein for the first time, produced a document she

[21] A figure claimed to be accurate by Weissenstein and Plaintiff Rakowsky again on the Court record as of September 15, 2011, but which both the Court and the "stigmatized defendants" are left to accept on face value.

claimed was the only accounting of the litigation funds due to the "stigmatized defendants." This so called "accounting" had no supporting original documents and was at best inadequate by any accounting standard. Further, the total monetary figure that Weissenstein produced regarding the litigation funding Rakowsky received differed by approximately $60,000.00 from the total that one calculates when using independent third party records in the hands of the "stigmatized defendants."

Weissenstein claims she had assembled all the records required under Rule 1.15 and Rule 417 under the South Carolina Judicial Code. However, without citing any legal basis, Weissenstein claimed that such records were not required to be turned over to clients or former clients of an attorney. Weissenstein clearly did not research the law as required under Rule 11(a) and Weissenstein's lack of research has been repetitive over the years as evidenced by her continued presentation of legally unsupported positions. Weissenstein's legally unsupported refusal to produce the financial records including countless motions she signed denying access to the financial records over the years is, taken in the best light for Weissenstein, *prima facie* evidence of a lack of research of the applicable law, research which is required under Rule 11(a).

Subsequent to the September 15, 2011, hearing, Weissenstein refused to allow her client to answer interrogatories submitted by *Pro Se* Defendant Spencer, untruthfully claiming that Judge Barber had ruled against discovery in this Interpleader case. Additionally, Weissenstein untruthfully claimed that Judge Seals had ruled the

information asked for in the interrogatories was confidential financial information. However, the interrogatory questions were reasonable and appropriate under Judge Seals's order since they on their face did not pertain to confidential financial information. In fact, the questions merely requested that Plaintiff Rakowsky divulge standard background, legal experience and other related factual information.

The Honorable Judge Barber's subsequent issuance of his Order clearly documenting that he did not rule against discovery in this case on September 15, 2011, was stridently ignored by Weissenstein as she, apparently unaffected by the Order, refused to amend her non-answers to the interrogatory questions based on her wrongfully invoking an Order Judge Barber never issued. Her only overt response to Judge Barber's Order was Weissenstein's cutting off all communications with *Pro Se* Defendant Spencer, claiming she would no longer dignify any of Spencer's contacts with a response which is clearly exhibited by Weissenstein's refusal to clarify her position to date as requested by Spencer on November 1, 2011. **(See Exhibit "M".)** The "stigmatized defendants" maintain that Weissenstein's unilateral cutting off of communications primarily reflects the notion that would be evident to the objective observer that Weissenstein is symbolically throwing her hands up and acknowledging that she is in a legally untenable situation that is of her own making.

Weissenstein unwittingly documented her own glaring violation of Rule 11(a) during the September 15, 2011 hearing. Weissenstein stated on the Court record she did

not know that the ["stigmatized defendants"] (the only parties with claims on the $9,855.00) had all concurred that there was no dispute among them as to the disposition of the $9,855.00 and that the funds were to be sent to the trust account of attorney James Young. Weissenstein untruthfully stated on the Court record, *"This is the first we heard of it your honor."*[22]

However, on October 20, 2008, the "stigmatized defendants" filed a document with the Court and with Weissenstein where the document had the exact same information Weissenstein claimed she never heard of, **(See Exhibit "C")**. Weissenstein also had no justifiable answer for interpleading the undisputed litigation funds of $9,855.00 during the ensuing motions hearing on the "stigmatized defendants" motion filed October 20, 2008. This hearing was attended both Plaintiff Rakowsky and Weissenstein.

Despite Weissenstein being present at the September 15, 2011 hearing, when all parties admitted on the Court record there was no dispute over the litigation funds, Weissenstein wrongfully continues to this date to refuse to release the $9,855.00. It has been over four years since the "stigmatized defendants" first requested the release of the remaining litigation funds from Plaintiff John Rakowsky (July 2007) and the former clients should have received the remaining litigation funds forthwith at that time. The requests and releases showing there was no dispute regarding the remaining ligation funds are the same information and releases that Ms. Weissenstein and Plaintiff

[22] Transcript of September 15, 2011 hearing, Pg. 23, lines 11 and 12. **(See Exhibit "I".)**

Rakowsky have refused to acknowledge numerous times both during and since July of 2007 even though her client has put on the Court record he has no objection to the return of the $9,855.00 of litigation funds. In 2008 Plaintiff Rakowsky contrived a conflict among his former clients for not releasing the remaining litigation funds and Weissenstein facilitated the contrivance by the aforementioned wrongful actions of twice interpleading the remaining litigation funds. However, Weissenstein's lies, or taken in the best light, her lack of reading the documentation clearly showing there was no dispute regarding the disposition of the $9,855.00 in remaining litigation funds finally, by Weissenstein's own admission on the Court record, caught up with her during the September 15, 2011 hearing when she stated, *"This is the first we heard of it your honor."*[23]

Given the aforementioned actions by Weissenstein, the "stigmatized defendants" have been left with no choice but to file this Rule 11(a) motion for sanctions for the unethical acts, misuse of judicial process, knowingly filing untruthful pleadings and outright lying on the Court record by Weissenstein regarding the remaining litigation funds and the damages incurred by the "stigmatized defendants" in their attempts to regain possession of the ($9,855.00) in remaining undisputed litigation funds. The $9,855.00 should have immediately been turned over to the "stigmatized defendants" along with a proper accounting of the litigation funds (in accordance with Judicial Rule

[23] Ibid.

417) when Plaintiff John Rakowsky unilaterally resigned from the Southern Holdings case in July 2007 under Rule 1.16(d) of the South Carolina Rules of Professional Conduct.

V. LEGAL BASIS FOR RULE 11(a) SANCTIONS

The Supreme Court of South Carolina has long established an attorney's responsibility to produce financial documents to a client and/or former client under Rule 1.15(d), in conjunction with Rule 417. *In re Mayer*, 391 S.C. 621, 625 (S.C. 2011), the Court found:

> "...in a lawyer's possession in connection with a representation separate from the lawyer's own property; funds shall be kept in a separate account; complete records of such account funds and other property shall be kept by the lawyer and the lawyer shall comply with the financial recordkeeping requirements of Rule 417, SCACR); Rule 1.15(d) upon receiving funds or other property in which a client or third person has an interest, a lawyer shall promptly notify the client or third person, except as stated in Rule 1.15 or otherwise permitted by law or by agreement with the client, promptly deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, upon request by the client or third person, promptly render a full accounting regarding such property);"

Weissenstein's wrongful refusal to participate in discovery by refusing to produce documents and answer interrogatories has prevented Plaintiff Rakowsky's former clients the ("stigmatized defendants") from obtaining information relevant to actions taken by their former counsels Plaintiff John Rakowsky and Defendant Adrian Falgione in the Southern Holdings case.

Weissenstein did not investigate the baseless claims by Plaintiff Rakowsky concerning there being a dispute over who deposited the litigation funds and a related dispute existing over who should receive the remaining $9,855.00 in litigation funds. Even a casual review by Weissenstein would have proven that the "stigmatized defendants" produced documents showing there were no conflicting claims on the $9,855.00 in litigation funds among the former clients. Furthermore, the fact that there were no conflicts over the $9.855.00 among the "stigmatized defendants", the only parties who could have legitimate claims on the litigation funds, was put on the Court record by all parties including Weissenstein's client, Plaintiff Rakowsky, making it clear Weissenstein that misused the judicial process by using the Interpleader lawsuits to wrongfully withhold the remaining undisputed litigation funds. This misuse of the Courts by Weissenstein must be addressed by Rule 11(a) Sanctions.

In *Runyon v. Wright*, 322 S.C. 15, 17-18 (S.C. 1996), the South Carolina Supreme Court heard the case of the judicial misuse of an Interpleader action, the South Carolina Supreme Court found:

> "Under S.C. R. Civ. P. 11(a), a party and/or the party's attorney may be sanctioned for filing a frivolous pleading, motion, or other paper, or for making frivolous arguments. The party and/or attorney may also be sanctioned for filing a pleading, motion, or other paper in bad faith (i.e., to cause unnecessary delay) whether or not there is good ground to support it. The sanction may include an order to pay the reasonable costs and attorney's fees incurred by the party or parties defending against the frivolous action or action brought in bad faith, a reasonable fine to be paid to the court, or a directive of a nonmonetary nature designed to deter the

> party or the party's attorney from bringing any future frivolous action or action in bad faith. Further, if appropriate under the facts of the case, the court may order a party and/or the party's attorney to pay a reasonable monetary penalty to the party or parties defending against the frivolous action or action brought in bad faith. Rule 11(a)."
>
> *Runyon v. Wright*, 322 S.C. 15 (S.C. 1996).

In viewing this matter in a light most favorable to Plaintiff's Counsel, Weissenstein neglected to review the relevant documents or research the applicable law and took unethical actions including, but not limited to, the submission of *ex-parte* evidence and knowingly both filing untruthful statements with the Court and also making untruthful statements on the Court record. This failure is particularly egregious given that the *Pro Se* "stigmatized defendants" are disabled and indigent. This misuse of the law and abuse of the legal process is at the very least unconscionable and is meant to harm the right of the "stigmatized defendants" to find out the truth regarding the actions of Plaintiff Rakowsky and Defendant Falgione, in the Southern Holdings case, including, but not limited to, what happened to the unaccounted for estimated $60,000.00 in litigation funds in that case. Weissenstein's interpleading of $9,855.00 that Plaintiff Rakowsky claims remains of the litigation funds is clearly an action a reasonable attorney would not have taken. The stated rationale of there being a dispute among the former clients for including the litigation funds in the Interpleader actions was and is baseless.

What is not baseless is the fact that Plaintiff Rakowsky and Weissenstein knew by their own statements on the Court record that they excluded the RSC funding of the

Southern Holdings lawsuit in their accounting reconciliation. Plaintiff Rakowsky's and Weissenstein's refusal to provide what should have been benign accounting records as to the disposition of the litigation funds can only be motivated by the fact that they knew that the funds were either mishandled and/or misappropriated. At the very least there has been a misuse of the judicial process by Rakowsky and Weissenstein by their prevarication to the Court that all the companies that advanced funds were named, a lie they both maintained despite being presented with irrefutable evidence to the contrary, evidence consisting of an executed and notarized funding contract signed by Plaintiff Rakowsky with RSC and a check from RSC deposited in John Rakowsky's bank account endorsed by Plaintiff Rakowsky himself. **(See Exhibits "D" and "E".)**

On, September 15, 2011, Plaintiff Rakowsky stated on the Court record, *"So that's why we* [Weissenstein and Rakowsky] *named them all* [the lending companies]. *There were a couple of funding organizations that Mr. Spencer contacted that they paid money in to help fund the procedure of the case or the forwarding of the case."* [24] The only lending companies ever named in this Interpleader action by Weissenstein and Rakowsky were LawMax and Lit Funding. Nevertheless Weissenstein stated on the Court record on September 15, 2011, that the Rule 417 accounting requirements had been met. If that were true, the fact that Weissenstein had already been presented both the contract Rakowsky signed with RSC and also a copy of the check from RSC that Rakowsky

[24] September 15, 2011, hearing transcript, Pg. 16, lines 3 - 12. **(See Exhibit "O".)**

deposited into his account, provides *prima facie* evidence that Weissenstein is arrogantly misusing the judicial process to either cover up the diversion of an estimated $60,000.00 of litigation funds for Rakowsky's personal use, and/or is misusing the judicial process to cover up the lack of required record keeping by John Rakowsky or some combination of both. Weissenstein's deliberately unethical actions and misuse of judicial process demonstrate that Weissenstein rightly or wrongly believes she is invulnerable to any repercussions by the Court in this case, ***emphasis added***.

VI. CONCLUSION

For the reasons set forth above, DEFENDANTS humbly request that their Motion for Sanctions, Pursuant to Rule 11(a) of the South Carolina Rules of Civil Procedure, be granted including (1) the return forthwith of $9,855.00 with interest compounded at the rate of 12.25%[25] annually from July 30, 2007 to November 30, 2011, for a total of $16,548.26 plus the additional compounded interest due at 12.25% until payment is made in the manner requested by the "stigmatized defendants" in Exhibit "A" above, (2) the repayment of Court costs including, but not limited to, depositions and filing fees of $1,200.00 paid in that same manner, (3) the repayment of the direct cost of legal research during this period incurred by the "stigmatized defendants" of $10,800.00 to be paid as requested by the "stigmatized defendants" in Exhibit "A" above, (4) striking with prejudice

[25] The Wall Street Journal prime interest rate cited for January 2, 2007, the first edition after January 1, 2007, listed the prime rate as 8.25%. Therefore, for the period January 15, 2007, through January 14, 2008, the legal rate of interest for judgments and money decrees is 12.25% compounded annually. S.C. Code Ann. § 34-31-20.

any and all of Plaintiffs' objections to the "stigmatized defendants" future discovery requests, regarding Plaintiff Rakowsky's Interpleader action captioned above and any such other actions the Court deems appropriate to deter such misuse of judicial process and the related unethical acts in the future.

This 19th day of December, 2011,

Respectfully submitted by,

Estate of Doris Holt,
Defendant, *Pro Se*
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

Marguerite Stephens,
Defendant, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588

Ricky Stephens, Defendant,
Pro Se
207 Deer Trace Circle
Myrtle Beach, SC 29212

Irene Santacroce, Defendant,
Pro Se
205 Deer Trace Circle
Myrtle Beach, SC 29588

Rodney Keith Lail, Defendant,
Pro Se
PO Box 2753
Myrtle Beach, SC 29588

James B. Spencer
7001 St. Andrews Road
Suite 183
Columbia, SC 29212
803-414-0889

CERTIFICATE OF SERVICE

I, James Spencer, *Pro Se*, defendant do hereby certify that the foregoing **CERTAIN DEFENDANTS' EXPEDITED MOTION FOR SANCTIONS PURSUANT TO RULE 11(c), OF THE SOUTH CAROLINA RULES OF CIVIL PROCEDURE** has been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

2011 DEC 20 PM 1:25

Christopher Weissenstein, Esquire
Attorney for Plaintiff Rakowsky, Plaintiff
Richard Watson Weissenstein
P.O. Box 6338
West Columbia, SC 29171

Adrian Lee Falgione, Defendant, *Pro Se*
Law Offices of Adrian Lee Falgione, LLC
P.O.Box 277
Lexington, SC 29071

Andrew F. Lindemann, Esquire
for Defendant Horry County
Davidson & Lindemann, P.A.
PO Box 8568
Columbia, SC 29202

This 19th day of December, 2011.

By: _____
James Spencer, *Pro Se* Defendant
Box 183
7001 Saint Andrews Road
Columbia, SC 29212
(803) 414-0889

Exhibit "A"

RULE 417
FINANCIAL RECORDKEEPING

(a) A lawyer who practices in this state shall maintain current financial records as provided in this rule, and shall retain the following records for a period of six (6) years after termination of the representation:

(1) receipt and disbursement journals containing a record of deposits to and withdrawals from bank accounts which concern or affect the lawyer's practice of law, specifically identifying the date, source, and description of each item deposited, as well as the date, payee and purpose of each disbursement;

(2) ledger records for all trust accounts required by Rule 1.15 of the Rules of Professional Conduct, showing, for each separate trust client or beneficiary, the source of all funds deposited, the names of all persons for whom the funds are or were held, the amount of such funds, the descriptions and amounts of charges or withdrawals, and the names of all persons to whom such funds were disbursed;

(3) copies of retainer and compensation agreements with clients as required by Rule 1.5 of the Rules of Professional Conduct;

(4) copies of accountings to clients or third persons showing the disbursement of funds to them or on their behalf;

(5) copies of bills for legal fees and expenses rendered to clients;

(6) copies of records showing disbursements on behalf of clients;

(7) checkbook registers or check stubs, bank statements, records of deposit, and prenumbered canceled checks or their equivalent;

(8) copies of monthly reconciliations of the lawyer's trust accounts with the statements received from the financial institutions; and

(9) copies of those portions of clients' files that are reasonably necessary for a complete understanding of the financial transactions pertaining to them.

(b) With respect to trust accounts required by Rule 1.15 of the Rules of Professional Conduct:

(1) receipts shall be deposited intact and records of deposit should be sufficiently detailed to identify each item; and

(2) withdrawals shall be made only by check payable to a named payee and not to cash, or by authorized bank transfer.

(c) Records required by this rule may be maintained by electronic, photographic, computer or other media provided that they otherwise comply with this rule and provided further that printed copies can be produced. These records shall be located at the lawyer's principal office in the state or in a readily accessible location.

(d) Upon dissolution of any partnership or limited liability company of lawyers or of any legal

professional corporation, the partners, members or shareholders shall make appropriate arrangements for the maintenance of the records specified in paragraph (a) of this rule.

(e) Upon the transfer or discontinuance of a law practice, the lawyer shall make appropriate arrangements for the maintenance of the records specified in paragraph (a) of this rule.

Exhibit "B"

James Spencer
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212

February 22, 2008

John Rakowsky, Attorney at Law
PO Box 3593
West Columbia, SC 29171
On this date sent via fax (803) 794-2788, email and US Mail

Dear John:

It has come to my attention that there are funds remaining that were advanced to you under my name. In that regard, please forward to me immediately the remaining funds at the above address. This should have been done the moment you no longer were looking after my interests in the lawsuit as at that point I represented my own interests. As you know, the monies were advanced to move forward my interests in the ongoing litigation or for my specific personal use as in the case of Resolution Settlement Corporation.

Additionally, I again request a specific accounting of all the funds that you received. You need not wait to forward the remaining funds to me for this accounting, but please follow up with the accounting as soon as possible.

Sincerely,

James Spencer

Cc: Bruce Benson

Exhibit "C"

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

John R. Rakowsky,

Plaintiff,

v.

Southern Holdings, Inc., Adrian L Falgione Law Max Legal Finance. Lit Funding USA James Spencer, Doris Holt, Rodney Keith Lail, Linda Williamson Lawrence, Ernest H. Morton, Jr., Irene Santacroce, Ronald N. Serota, David Smith, Marguerite Stephens, and Ricky Stephens, Michael S. Hartness, Harold Steve Hartness and Horry County, South Carolina,

Defendants.

2008-CP-40-6656

2008 OCT 20 PM 3:40

CERTAIN DEFENDANTS' MOTION FOR COURT TO ORDER THE IMMEDIATE RELEASE OF "LITIGATION" FUNDS AS INSTRUCTED BY ALL DEFENDANT CONTRIBUTORS AS IDENTIFIED BY PLAINTIFF JOHN RAKOWSKY's COMPLAINT FOR INTERPLEADER (2008-CP-40-6656)

NOW COME CERTAIN DEFENDANTS[1] and move the Court to Order Plaintiff John Rakowsky to transfer the residual "litigation" funds into the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer for use as directed by James Spencer. The check should be certified and it

[1] Nicholas Williamson, Doris Holt, Ricky Stephens, Marguerite Stephens, Irene Santacroce, James Spencer, and Rodney Lail.

should immediately be mailed to the above named law firm to the attention of Ms. Patty Davis. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

INTRODUCTION

1. Paragraph 13, found on page 3 of John Rakowsky's Complaint for Interpleader clearly identifies residual funds totaling nine-thousand- eight-hundred- fifty-five dollars ($9,855.00) were deposited by various Plaintiffs into Rakowsky's trust account for costs incurred in the Southern Holdings, et al. v Horry County, et al., case litigation **(See attachment "A").**
2. John Rakowsky has refused numerous requests to provide the signatory Defendants the remaining funds for ongoing litigation purposes in this matter.
3. John Rakowsky has refused numerous requests by the signatory Defendants to identify any conflicting claims to the remaining funds slated for litigation purposes.
4. John Rakowsky has identified individuals as his clients who were not listed as parties to the Southern Holdings. et al., v Horry County, et al., litigation, persons who include Linda Williamson Lawrence and Ernest Morton. John Rakowsky for the first time revealed in his Complaint for Interpleader that he represented the interests of Linda Williamson Lawrence and Ernest Morton in the Southern Holdings, et al., v Horry County, et al. case. Such representation, heretofore unknown by the Plaintiffs in the Southern Holdings, et al., v Horry County, et al., case created a clear conflict of interest with the parties John Rakowsky and Adrian Falgione openly represented in that Federal District Court case.

5. The parties John Rakowsky openly represented in Federal District Court are Southern Holdings, Inc., Rodney Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, James Spencer and Nicholas C. Williamson. **(See caption attachment "B").**

6. All Defendants associated with the remaining litigation funds as identified by John Rakowsky on page 3, paragraph 13 of the Rakowsky's Interpleader complaint, have executed this Motion to transfer the remaining litigation funds to a designated trust account and/or likewise have instructed John Rakowsky to do so in attached correspondence **(See attachment "C").**

DISCUSSION

There is no disagreement among the Defendants who have an interest in the "litigation funds" (Defendants identified by John Rakowsky in paragraph 13 of page 3 of John Rakowsky's Complaint for Interpleader) regarding their unanimous request to transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA. The multiple requests for the transfer of the litigation funds have been repeatedly ignored by John Rakowsky despite the fact John Rakowsky does not represent the interests of his former clients. All Defendants John Rakowsky openly represented who were parties to the case **(See attachment "B")** and which are identified in the caption of the case, have requested John Rakowsky to transfer remaining "litigation funds" to the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer for use as directed by James Spencer. The check should be certified and it should immediately be mailed to the above named law

firm to the attention of Ms. Patty Davis. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

CONCLUSION

All the contributors/claimants to the "litigation funds" identified by Plaintiff John Rakowsky in his Complaint for Interpleader are in unanimous agreement about the disposition of the "litigation funds" ($9,855.00) and how the use of the funds is to be directed. Therefore, the Defendants pray the Court Order such funds be immediately transferred to the trust account identified herein for the funds intended use as directed by James Spencer for matters concerning the Appellants and related to the ongoing lawsuit currently in the United States Court of Appeals for the Fourth Circuit.

RESPECTFULLY SUBMITTED
This 17th day of October, 2008.

By:

Doris E. Holt, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

Nicholas C. Williamson, PhD
8005 White Ash Court
Oak Ridge, NC 27310

Rodney K. Lail, Plaintiff, *Pro Se*
PO Box 2753
Myrtle Beach, SC 29578
(843) 626-3229

Irene Santacroce, Plaintiff, *Pro Se*
205 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 455-0891

Ricky Stephens, Plaintiff, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

Marguerite Stephens, Plaintiff, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

ATTACHMENT A

PAGE 1 OF 1

The federal court plaintiffs had numerous successive counsel, but the most recent counsel to represent them were defendant Falgione (hereafter "Falgione") and plaintiff Rakowsky.

12. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina were defendants in the federal court action, and collectively paid settlement funds to settle the federal court claim.

13. In connection with the litigation of the federal court action, one or more of the federal court plaintiffs advanced funds for costs to be incurred in the federal court litigation. The balance of these funds was eventually held by Rakowsky in trust. At the time of the events described herein, Rakowsky held in trust the sum of nine-thousand eight hundred and fifty-five dollars ($9.855.00) which had not been expended toward litigation costs.

14. In or about May 2007, the federal court plaintiffs authorized Rakowsky and Falgione to enter into a settlement in the federal court action which would provide, *inter alia*, for payment to them of a settlement in the amount of fifty five thousand dollars ($55,000.00). Rakowsky and Falgione communicated the acceptance of settlement to counsel for defendants in the federal court action. Defendants Michael Steven Hartness, Harold Steven Hartness and Horry County, South Carolina paid the sum of fifty-five thousand dollars ($55,000.00) to the federal court plaintiffs to consummate the settlement.

15. Falgione and Rakowsky and are entitled to receive a portion of the funds in question as attorneys fees for their services in the federal court action. Defendant John R. Rakowsky, acting as legal counsel for the plaintiffs, now defendants

ATTACHMENT B

PAGE 1 OF 3

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
FLORENCE DIVISION
CIVIL ACTION NO: 4:02-CV-01859-RBH

SOUTHERN HOLDINGS, INC.; JAMES SPENCER; RODNEY KEITH LAIL; IRENE SANTACROCE; RICKY STEPHENS; MARGUERITE STEPHENS; DORIS HOLT; and NICHOLAS C. WILLIAMSON,
Plaintiff.

-vs-

HORRY COUNTY, SOUTH CAROLINA, HORRY COUNTY SHERIFF'S DEPARTMENT; HORRY COUNTY POLICE DEPARTMENT; JAMES ALBERT ALLEN, JR., Individually and in his official capacity as an officr with the Horry County Sheriff's Department; SIDNEY RICK THOMPSON, Individually and in his official capacity as an officer with the Horry County Sheriff's Department; JEFFREY S. CALDWELL, Individually and in his official capacity as an officer with the Horry County Sheriff's Department; CHARLES MCCLENDON, Individually and in his official capacity as an officer with the Horry County Police Department; JAY BRANTLEY, Individually and in his official capacity as an officer with the Horry County Police Department; ANDY CHRISTENSEN, Individually and in his official capacity as an officer with the Horry County Police Department; MICHAEL STEVEN HARTNESS; ANCIL B. GARVIN, III; DAVID SMITH; and JOHN DOES,
Defendants.

THE DEPOSITION OF NOEL HERROLD,

taken on behalf of the Defendant, on May 7, 2007, commencing at 10:03 a.m., at the Law Offices of Senn, McDonald & Leinbach, 3 Wesley Drive, Charleston, South Carolina, 29464.

ORIGINAL

Douglas K. Liperote

Court Reporter

ATTACHMENT B
PAGE 2 OF 3

APPEARANCES

FOR THE PLAINTIFF:

JOHN R. RAKOWSKY, Esq., Esq.
Attorney at Law
900 12th Street
Columbia, SC 29169
(803) 791-8830

ADRIAN L. FALGIONE, Esq.
Attorney at Law
113 East Main Street
Lexington, SC 29072
(803) 957-6543

THE DEFENDANTS:

SANDRA J. SENN, Esq.
Senn, McDonald & Leinbach
3 Wesley Drive
Charleston, SC 29407
(843) 556-4045

E. GLENN ELLIOTT, Esq.
Aiken Bridges
181 East Evans Street, Suite 409
Florence, SC 29503
(843) 669-8787

JAY SALEEBY, Esq.
Aiken Bridges
181 East Evans Street, Suite 409
Florence, SC 29503
(843) 669-8787

ATTACHMENT B
PAGE 3 OF 34 3

CERTIFICATE OF REPORTER

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Douglas K. Liperote, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Date 6/27/17

Douglas K. Liperote
Notary Public in and for the
County of Charleston
State of South Carolina

My commission expires August 15, 2015.

ATTACHMENT C

PAGE 1 OF 1

Nicholas C. Williamson, PhD
President
Southern Holdings, Inc.
6170 West Lake Mead Blvd.
Suite 311
Las Vegas, Nevada 89108

October 7, 2008

John Rakowsky, Attorney at Law
900 West 12th Street
West Columbia, SC 29169

Re: Litigation Funds Remaining and accounting for expended funds.

Dear Mr. Rakowsky:

In regard to any and all remaining residual funding that you believe may have come from Southern Holdings, Inc., please consider this formal notice that any such funds are to be transferred to the trust account named below for the use of the Plaintiffs in the ongoing litigation as directed by James B. Spencer and Southern Holdings Corporate Secretary Irene Santacroce.

In that regard, as you have been previously and repeatedly requested to do, transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA, to be credited in the name of Irene Santacroce and James Spencer. The check should be certified and it should immediately be mailed to the above named law firm to the attention of Patty. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

If you believe that I personally contributed any funds as a Plaintiff that are part of the residual litigation funds, then please consider my authorization and request to immediately transfer the remaining litigation funds to the trust fund of Singleton, Burroughs and Young, PA to be credited in the name of Irene Santacroce and James Spencer. The check should be certified and it should immediately be mailed to the above named law firm to the attention of Patty. The address of the firm is 1303 3rd Ave. Conway, SC 29526.

If you have any questions please call me directly. Thanks you for your prompt attention to this matter.

Sincerely,

Nicholas C. Williamson, PhD
Personally and as President of
Southern Holdings, Inc.

Cc: Individual Members of the Board of Directors

CERTIFICATE OF SERVICE

I, James Spencer, ***Pro Se***, do hereby certify that the foregoing **CERTAIN DEFENDANTS' MOTION FOR COURT TO ORDER THE IMMEDIATE RELEASE OF "LITIGATION" FUNDS AS INSTRUCTED BY ALL DEFENDANT CONTRIBUTORS AS IDENTIFIED BY PLAINTIFF JOHN RAKOWSKY's COMPLAINT FOR INTERPLEADER (2008-CP-40-6656)** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Adrian Falgione
P. O. Box 277
Lexington, SC 29071

Law Max Legal Finance
459 Columbus Avenue, Suite 299
New York. New York 10024-5129

Litfunding USA
6375 S. Pecos Rd
Las Vegas, NV 89120-3264

Linda Williamson Lawrence
105 Yadkin Street, Suite 203
Albemarle, NC 28001

Ernest H Morton
P. O. Box 519
Albemarle, NC 28002

Ronald N Serota, Esquire
Corporate Law Office
2620 Regatta Drive, NV 89128

David Smith
1006 N. Holden Road
Greensboro, NC 27410

Michael Steven Hartness
3032 Nance Cove Rd
Charlotte, NC 28214-9470

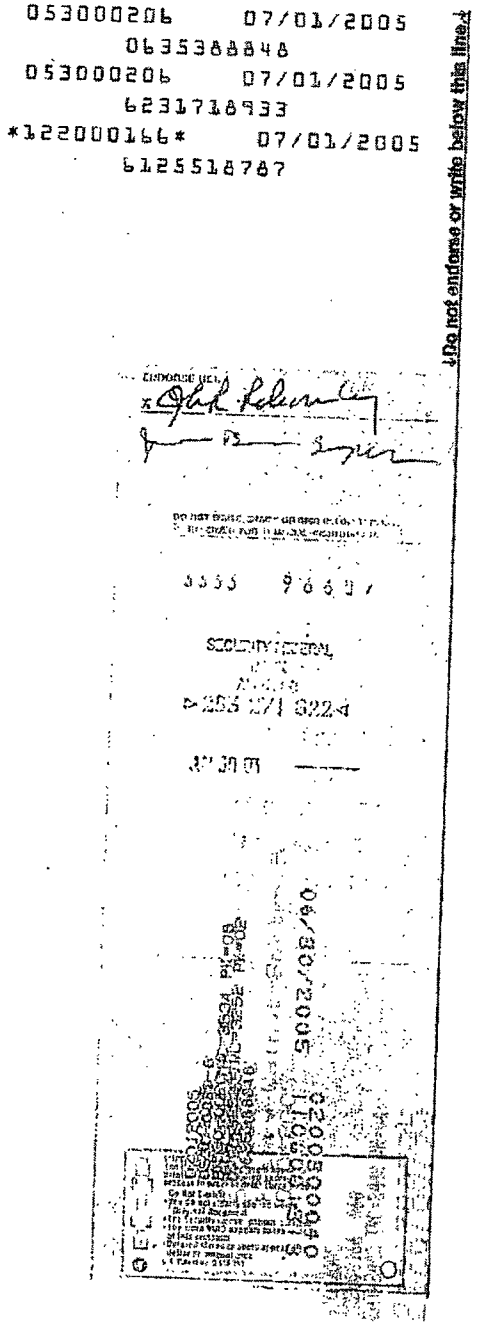
Harold Steven Hartness
3032 Nance Cove Rd
Charlotte, NC 28214-9470

Horry County, South Carolina
Danny Knight
Government & Justice Center
1301 Second Avenue
Conway, SC 29526

This 17th day of October, 2008.

By: _____
James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

Exhibit "D"


053000206 07/01/2005
0635888848
053000206 07/01/2005
6231718933
1220001668 07/01/2005
6125518787
Do not endorse or write below this line.
SECURITY FEDERAL
06/30/2005

122000166
07/01/2005
6125518787

This is a LEGAL COPY of your check. You can use it the same way you would use the original check.

⑆053000206⑈ 07/01/2005 6353888848

RESOLUTION SETTLEMENT CORP
5983 W FLAMINGO RD SUITE 110-527
LAS VEGAS, NV 89147

127

DATE Jun 30 05

PAY TO THE ORDER OF John Rakowsky and J. G. [illegible] FOR [illegible]

Twenty five thousand and No/100 DOLLARS

COLONIAL BANK
Las Vegas, Nevada
2119 Colonial Commerce 1-877-502-7705

FOR

⑈000127⑈ ⑆122401781⑆ 8035935199⑈ ⑈0002500000⑈

⑈000127⑈ ⑆122401781⑆ 8035935199⑈ ⑈0002500000⑈

COLONIAL BANK

Questions about your account, call Colonial Connection: 877-502-2265

www.colonialbank.com

Business Edge Checking

ACCOUNT NUMBER 8035935199

STATEMENT PERIOD July 1, 2005 – July 31, 2005

003 01000

Colonial Bank appreciates your business. Thank you for being our Customer.

RESOLUTION SETTLEMENT CORPORATION
9360 W FLAMINGO RD SUITE 110-527
LAS VEGAS NV 89147

Account Summary

Previous Balance	$ 54,790.73	Average Collected Balance	$ 18,812.91
Total Credit(s)	+ 54,000.00		
Total Debit(s)	– 44,907.30		
Service Charge	– 0.00		
Ending Balance	**$ 63,883.43**		

Account Details

Deposits and Other Credits

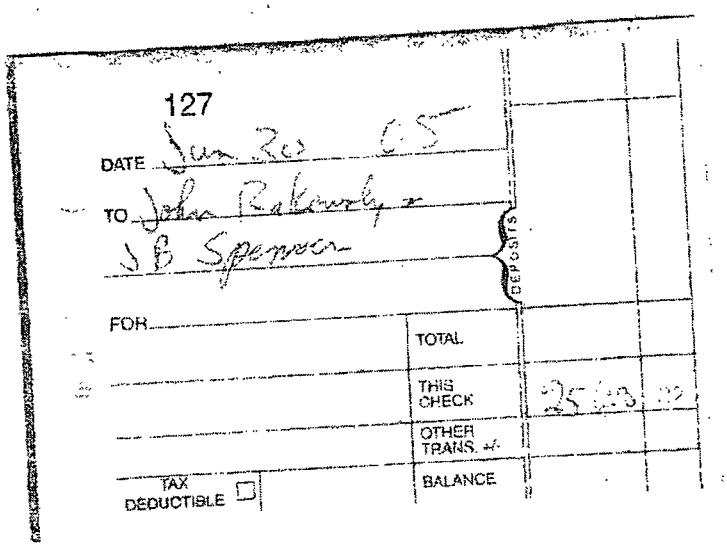
DATE	DESCRIPTION	AMOUNT
7/8	DEPOSIT	7,500.00
7/28	DEPOSIT	46,500.00

Checks Paid ▲ *indicates check missing in sequence*

CHECK	DATE	AMOUNT
127	7/1	25,000.00
129 ▲	7/11	1,000.00
130	7/8	500.00
131	7/7	478.02
132	7/7	216.00
134 ▲	7/7	17,000.00
135	7/21	45.00
136	7/27	43.28
137	7/18	425.00
138	7/21	200.00

Daily Balance Summary

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
6/30	54,790.73	7/8	19,096.71	7/21	17,426.71
7/1	29,790.73	7/11	18,096.71	7/27	17,383.43
7/7	12,096.71	7/18	17,671.71	7/29	63,883.43



127

DATE Jun 20 05

TO John Rakowsky
JB Spencer

DEPOSITS

FOR

TOTAL

THIS CHECK 25.00

OTHER TRANS. +/-

BALANCE

TAX DEDUCTIBLE ☐

TRANSFER AND CONVEYANCE OF PROCEEDS AND SECURITY AGREEMENT

THIS TRANSFER AND CONVEYANCE OF PROCEEDS AND SECURITY AGREEMENT (the "Agreement") is made this 5th day of June, 2005, by and between RESOLUTION SETTLEMENT CORPORATION ("Transferee"), a Nevada Corporation, and SOUTHERN HOLDINGS; JAMES SPENCER ET AL ("Transferor"), whose address is: C/O John Rakowsky Esq. Attorney of Record; PO Box 3593 West Columbia, SC 29171 Tel: 803 331-2788.

RECITALS

WHEREAS, Transferor has a claim against and/or is a plaintiff in an action or suit (whether a claim, action or suit, the "Litigation") now pending before the United States District Court; district of South Carolina [Civil Action 4 02 1859 12;(the "Defendant"), whose various insurance carriers are defending such Litigation, arising out of an act of negligence, accident or other incident occurring on or about June 1, 2000 in which the Defendants damaged the Transferor with false arrest, personal injury and other torts. A brief description of the Litigation is attached and identified as Schedule C.

WHEREAS, Transferor does not have sufficient funds to proceed with the Litigation, has no asset against which to borrow, and has sought funds from other sources but has been unable to find any.

WHEREAS, an undetermined amount of time will be required for Transferor to seek compensation from the Defendant(s) through continued legal action and/or negotiations to otherwise persuade or prevail upon the Defendant(s) to pay the Transferor an amount appropriate and necessary to compensate Transferor for the injuries incurred and/or damages suffered; and

WHEREAS, in order to afford Transferor sufficient funds to proceed with the Litigation, Transferee has agreed to accept certain proceeds which may arise from settlement or verdict resulting from the Litigation.

WHEREAS, Transferor desires to pursue the Litigation to such time that a fair and favorable settlement or judgment can be obtained.

WHEREAS, Transferee has made its own determination to make this advance and has not relied on any advice from Transferor's counsel regarding the merits, value, risk, or legitimacy of the Litigation.

NOW THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Transferee and Transferor do hereby agree as follows:

1. Transferor unconditionally and irrevocably transfers and conveys to Transferee all of Transferor's control, A RIGHT OF PROCEEDS which includes the right, title and interest in the first TWENTY FIVE THOUSAND DOLLARS ($25,000.00) paid to Transferor from the Proceeds, as hereinafter defined, or other recovery derived from the Litigation. Said amount shall, by agreement, increase by FOUR THOUSAND FIVE HUNDRED ($4,500.00) PER MONTH beginning on the first day of the month following the date of execution of this agreement, pursuant to the schedule attached hereto as Schedule A. The first months interest will accrue upon signing this agreement for purposes of an early settlement payment, however the second month will begin on August 1, 2005 and increase as stated the first of each month thereafter.. For purposes of this Agreement, "Proceeds" shall be defined as the gross amount of the recovery from the Litigation, less Transferor's attorney's fees of approx. 40 % of any recovery, the actual costs of the Litigation advanced by Transferor's legal counsel on Transferor's behalf, and any other prior superior assignments, liens, encumbrances or security interests of any kind or nature in or relating to the Proceeds as provided for in Schedule B hereto, if any.

2. Transferor hereby grants to Transferee a security interest in the Proceeds of the Litigation in the sum of TWENTY FIVE THOUSAND DOLLARS ($25,000.00) plus any and all increases pursuant to Schedule A hereto, in order to secure the conveyance, subject to the terms and conditions of this Agreement.

3. This agreement is expressly intended to transfer, convey and relinquish control over only a specified portion of the Proceeds that may flow from, and as a result of the Litigation referred to above. This agreement is not an assignment, nor a purchase of any right, chose in action, cause of action, or claim which Transferor may have or possess as against any responsible party, respondent or defendant referred to herein. Transferee contemplates no control, input, influence, right or involvement of any kind regarding any claim, right, or interest of Transferor in the Litigation.

4. This agreement, and the obligation to pay over the Proceeds specified herein is totally contingent, speculative and without recourse on the part of Transferee, except for the security interest in the Litigation, and any successor claim(s) and/or litigation(s) arising out of the same facts, or arising out of the conduct of the Litigation. If there is no recovery of Proceeds by Transferor as specified herein, then Transferee shall receive NOTHING.

5. Transferor hereby authorizes Transferee to send to the applicable insurance company a "Notice of Lien", so that Transferor may perfect its lien against the subject claim. (An example is attached hereto as Schedule "B"). Transferor represents that the applicable insurance company(ies) is (are) as follows:

_____

6. Transferor shall, and does hereby require and direct his/her attorney(s) to execute this Agreement. By execution hereof, Transferor's attorney(s) acknowledges receipt of, and actual notice of this Agreement and agrees to disburse the Proceeds as set forth herein above.

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials _____

7. All parties to this agreement acknowledge that by execution hereof, Transferor's attorney is solely and merely following Transferor's instructions. Transferor's attorney is making neither representation nor guarantee, inferred, expressed or implied; concerning either merits or value of the claim(s) or litigation matter(s) referred to herein to ANY PARTY. Further, all parties to this agreement acknowledge that Transferor's attorney assumes no affirmative duties herein other than the ministerial obligations of disbursement, and conveying information contained herein.

8. If Transferor changes his/her attorney(s) after signing this Agreement, Transferor and Transferor's attorney each shall give immediate written notice, by certified mail return receipt requested, to Transferee at **9360 W. Flamingo Rd. Suite 110-527, Las Vegas, NV 89147**, of the identity, address and phone numbers of Transferor's new attorney(s). Transferor further agrees to require and to direct any new attorney(s) to execute and acknowledge this Agreement.

9. Transferor hereby authorizes his attorney(s) to release to Transferee any information, files, records, documents regarding the Litigation requested by Transferee, who agrees to treat such information as privileged and who shall receive and review these materials solely in the limited capacity necessary for this Agreement.

10. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, covenants or obligations except as set forth herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, of the parties hereto, relating to any transaction contemplated by this Agreement. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns. In the event any one or more of the covenants, terms and conditions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, liability or enforceability of any other covenant, term or condition in this Agreement.

11. Transferor represents and warrants unto Transferee that as of the date of this Agreement that (a) Transferor believes the Litigation to be meritorious and filed in good faith; (b) Transferor has complete right, title and interest in and to the Litigation and full power and authority to make and execute this Agreement; (c) Transferor has not and will not assign or encumber the Proceeds from the Litigation, except as otherwise provided herein; and (d) there is no other assignment, lien, encumbrance or security interest of any kind or nature in or relating to the Proceeds other than is provided for in Schedule B hereto, if any.

12. Transferor intends this agreement to be fully valid and binding as to and upon all heirs, trustees, executors, or any other successor-in-interest who may obtain or assert control over the Litigation by reason of Transferor's death, disability, or decline in health such that someone other than Transferor is, or becomes entitled to make decisions concerning the disposition of the Litigation, or any of the proceeds thereof. Further, by executing this agreement, Transferor intends to exercise any Power of Appointment with which Transferor is empowered to the extent necessary to complete the Transfer that is the subject of this agreement.

13. This Agreement shall be construed and interpreted in accordance with the laws of Nevada and venue for any dispute arising hereunder (including any interpleader action) shall lie in the 8th Judicial District Court for Clark County, Nevada. Transferor agrees that any and all Federal

lawsuits related to or arising from this agreement shall be filed and maintained in the Federal Courthouse located in Las Vegas, Nevada. Transferor understands that the "choice of laws", "forum", and "venue" clauses contained herein are critical in nature, and are essential to this Contract, and that they have not been placed in this contract as mere "form" insertions and recitals.

14. If a dispute between the parties to this Agreement arises, the parties agree and acknowledge that all funds in dispute shall be interplead into the Nevada courts until such time said dispute is resolved.

15. Transferor has been advised to have not only his/her counsel, but also outside counsel, review this agreement prior to Transferor's signing it.

16. Transferor has been advised that Transferee is a provider of funds of **last resort** and that other sources may have more favorable rates and payment schedules.

17. Transferee has answered all of Transferor's questions.

18. Transferor acknowledges that Transferee will, in the event that Transferor should make a recovery, make a substantial profit from this advance.

19. Transferor acknowledges that this contract has been drafted by both Transferor and Transferee, and is made a part of this entire transaction.

20. Transferor understands that the attached Schedule A, Schedule B, Schedule C, Schedule D, and Schedule E are each hereby made a part of this agreement.

21. Transferor acknowledges that the Transferee advised Transferor to **take no fewer than three (3)** days to consider the terms contained in this agreement before signing it. Transferor acknowledges that he/she signed this agreement after taking 5 days to consider the terms contained herein.

WITNESS the following signatures and seals:

TRANSFEROR:

I, James Brian Spencer, the undersigned person (Transferor), agree to the foregoing *Transfer and Conveyance of Proceeds and Security Agreement.*

x J. B. Spencer 6/22/05
Transferor Date

State of South Carolina
County of Lexington

This instrument was acknowledged before me on June 22, 2005 *(date) by* James B. Spencer *(Transferor).*

(Notary Stamp)

(Signature of notarial officer)

My Commission expires: 7/27/14

ATTORNEY FOR TRANSFEROR:

I, John Rakowsky, ("Attorney") attorneys for Transferor, have read this agreement in its entirety, understand it, and agree to abide by the directives of my client as contained therein. In the event a dispute arises between the parties pertaining to the funds at issue herein, I agree to interplead said funds to the applicable court until said dispute is resolved. I agree to distribute any Proceeds of the Litigation in accordance with the terms of the Agreement. In the event that I cease representing the Transferor at any time, I will immediately give written notice via certified mail, return receipt requested, to Transferee at 9360 W. Flamingo Rd. Suite 110-527, Las Vegas, NV 89147. By execution hereof, I am only following the instructions of Transferor. I make no statement, render no opinion, and proffer no guarantee as pertains to the possibility of recovery of some or any Proceeds as a result of the Litigation. By the execution hereof, I assume no duties or obligations to Transferee other than the ministerial duties of disbursement and of furnishing requested information as specifically outlined herein. Any and all proceeds from the Litigation will be paid into my trust account for disbursement per this agreement.

x John Rakowsky 6/22/05
Attorney Date

TRANSFEREE:

I, Rosalind Sarabia, an authorized representative ("Representative") of the Transferee, agree to the foregoing *Transfer and Conveyance of Proceeds and Security Agreement* on behalf of the Transferee.

J. B. Spencer 6/22/05
Representative Date

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials JBS

SCHEDULE A

Schedule of Increases to Amount of Transferred Proceeds

The amount owed will increase by FOUR THOUSAND FIVE HUNDRED ($4,500.00) on the first day of every month, with a minimum payment at signing of a one month fee. Examples of the monthly payoffs are as follows:

At signing 2005	$29,500.00
Aug. 2005	$34,000.00
Sept. 2005	$38,500.00
Oct. 2005	$43,000.00
Nov. 2005	$47,500.00
Dec. 2005	$52,000.00
ETC	

This Schedule shows the monthly payoffs for the first twelve months of the advance. The payoff will continue to increase by FOUR THOUSAND FIVE HUNDRED DOLLARS ($4,500.00) on the first day of every month until paid, based on the terms of this contract.

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials

SCHEDULE B

Liens

Transferor's Attorney:	John Rakowsky Esq.
Address:	PO Box 3593
Telephone:	West Columbia, SC 29171 803 791-8830
Fax	803 794-2788
Attorney's Fee	40%

Holders of Medical Liens N/A _____ Amount $ _____

_____ _____

_____ _____

_____ _____

Holders of Other Superior Liens or Encumbrances: N/A _____ Amount $ _____

_____ _____

_____ _____

_____ _____

I know of no other liens, claims or encumbrances upon the Litigation other than those listed on this page.

_____ _____, 20__

Attorney for Transferor **Date**

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials _____

JUN 22 2005

SCHEDULE C

Litigation Description

A brief description of the Litigation follows:

- After years of delays by the defendants, the case pending in SC Federal District Court is locked in to be heard this July 19, 2005.
- There are five Plaintiff attorneys on a contingency basis on the case.
- The medical costs due to traumatic injuries to dates are in excess of $120,000, and there are have increasing lifetime health complications from the personal injuries.
- I lost a valuable long-term employment contact valued in excess of $300,000 annually due to the malicious actions of the defendants. ***Please note the attached economic expert's report concerning damages and links below to the experts' credentials.***
- The defendants have deep pockets and are able to pay the damages. The case involves individuals being paid off to forge a Judges signature on arrest papers in addition to the pay off of individuals to make entries on the NCIC system for what has been determined by two individual Judges in two State Courts to be unfounded, contrived and baseless charges. The two hearings that lasted a combined total of less then fifteen minutes.
- The defendants were captured on videotape torturing me after a Fifteenth Circuit Court Judge had issued an Order a month concerning the baseless charges. The perpetrators knew about and deliberately ignored the Judge's Order as validated by conclusive police audiotape evidence. Please note ***attached overview to this e-mail concerning the case.***

In summation, please remember we have two judges who made decisions in our favor including a decision that there was no probable cause to stop and arrest me for any reason on August 8, 2000. There is not even a dispute over the forged Judges signature that initiated the phony warrant and the impossibility of the charges that has been acknowledged by the defendants.

Therefore, the case is going to center on damages and the defendants missed the deadline for naming experts. The defendants will have no experts for trial based on their inaction while we have been able to secure a team of the most creditable experts available with both outstanding credentials and reputations for honesty.

Exhibit "E"

Bruce Benson
CEO and President
Resolution Settlement Corporation
(702) 524-9006

January 21, 2010

Honorable Judge Alison R. Lee
P O Box 192
1701 Main St., Room 324
Columbia, SC 29202-0192
Sent by Facsimile: (803) 576-1768
Sent by: U.S. Mail

Re: **Case Number 2008-CP-4006656**
John R. Rakowsky vs. Southern Holdings, Inc., et al

Dear Judge Lee:

It is my understanding a hearing was held regarding funds that should have included funds advanced for litigation expense in 2005, to John Rakowsky and Adrian Falgione. Both Rakowsky and Falgione flew to Nevada and met with me, regarding the advance of funds to the case involving James Spencer.

I am now aware despite my repeated notice to John Rakowsky and despite his agreement as evidenced in a certified written agreement, that he has not named RSC nor myself as Defendants. The monies were advanced to be used by Plaintiffs for expenses approved by James Spencer. I have not received an accounting for such funds that were provided to Rakowsky after he had claimed he had exhausted the fund provided by the two other companies Rakowsky named as defendants in the Interpleader action, Law Max Legal Finance and Litfunding, USA.

Litfunding was also located in Las Vegas, Nevada. It is my understanding based on personal knowledge that John Rakowsky also personally obtained funding for the litigation. I have personally requested John Rakowsky for an accounting of the funds he now denies knowledge of yet were deposited into his account. I felt it necessary to inform the Court of the lack of standing and notice by Plaintiff and Plaintiff's counsel. If I had been notified I would have been present at trial as it is

also my personal knowledge that the case related expenses were paid for years ago. Additionally, I am fully aware that Rakowsky is withholding litigation funds advanced to James Spencer to assist in litigation in these matters and withholding such funds prevents Spencer from funding expenses necessary for expenses and advice from counsel.

I am submitting this ex-parte communication as a third party as I was not given standing in the case due to deliberate action by Plaintiff and Plaintiff's counsel.

I affirm under oath that the above statements are based on my personal knowledge and are true. I submit this certified statement after being notified that a hearing was held on a matter that I understood is currently being litigated in the 4th Circuit Court of appeals. Defendants with standing notified me that a hearing in fact took place and it took place with our deliberate exclusion. The bottom line is we advanced money that has now disappeared and as such never reached the intended goal of assisting in the ongoing litigation.

I will be happy to answer any questions the Court may have under oath at your convenience.

Sincerely,

Bruce Benson
CEO
Resolution Settlement Corporation

Jurat

State of Nevada
County of Clark

Signed and sworn to (or affirmed) before me on Jan. 11, 2012 (date) by Bruce Eaton (name(s) of person(s) making statement).....



(Signature of notarial officer)

1 of 2 SHR

EXHIBIT "F"

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desaballard.com

June 24, 2011

RECEIVED
JUN 27 2011
BY:

Via U.S. Mail
Honorable Alison Renee Lee
Richland County Judicial Center
1701 Main Street, Room 324
Post Office Box 192
Columbia, South Carolina 29202-0192

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No: 2008-CP-40-6656

nj Trial

Dear Judge Lee:

Although date-certain scheduling is not the common or preferred method in South Carolina, I hereby request that in this circumstance, you please consider issuing such a scheduling order.

On behalf of the Plaintiff, attorney John Rakowsky, we filed the original complaint seeking to interplead funds on September 12, 2008 and served it on the Defendants. On October 20, 2008, some of the Defendants filed a motion demanding the immediate release of the funds. An Amended Complaint was filed on November 17, 2008, and this matter was called for hearing on January 19, 2010. The Court received notice from several individuals that additional claims would be made against the disputed funds, so the Court issued its judgment on May 21, 2010, denying Defendants' motion to release funds and requesting that the new parties be added to the action as defendants.

Plaintiff filed a motion pursuant to Rule 15, SCRCP, requesting an order permitting him to join new parties whose existence and involvement have been revealed through this matter and to delete claims against those who were not proper parties or who are no longer involved in the matter. Present at the hearing on Plaintiff's motion were the undersigned, Defendant Adrian L. Falgione; and counsel for Defendant Horry County. I affirmed that notice of the motion and hearing were served upon all defendants pursuant to Rule 5, SCRCP, but none had appeared.

The case was placed on the roster for August 9, 2010, but the hearing could not be scheduled until November 1, 2010. As a result, a Second Amended Summons and Complaint were filed and served. The amended complaint included defendant John Doe, who was served by publication pursuant to South Carolina Code § 15-67-40 (1976, as amended).

2 of 2 pgs

The case was called again for trial and the undersigned appeared at the roster meeting on May 11, 2011. Defendant Spencer announced to the Court that due to the last minute nature of the pending trial, some of the defendants would not be available to attend and he requested a continuance.

Your Honor, this case has been pending since 2008, and we feel the substantive issues are relatively simple: there is money held in trust and multiple parties claim to be owed a portion or all of it. Because this case has many *pro se* defendants who are antagonistic to plaintiff, the case continues to be delayed. We believe that a Date Certain Trial will give to all the parties enough notice that further delays and continuances will not be allowed, and this matter can finally be resolved. I consulted with counsel for Horry County and with Defendant Adrian Falgione, Esquire, regarding this request and they consent.

Please call me if you have any questions regarding this request for scheduling. Thank you for your consideration.

With warm personal regards, I am,

Sincerely yours,

Stephanie Weissenstein

Stephanie Weissenstein
stephanie@desaballard.com

cc: John R. Rakowsky, Esquire *(via U.S. mail)*
Adrian Falgione *(via U.S. mail)*
Andrew F. Lindemann, Esquire *(via U.S. mail)*

22 JUL 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED
C.C.C.P.&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

Exhibit G
Page 1 of 8

STATE OF
SOUTH CAROLINA

NOTICE OF CASE SCHEDULING

June 30, 2011

Case 2008CP4006656 - John R Rakowsky vs Southern Holdings Inc , defendant, et al has been added to the following Court Roster:

Roster ID: 146 - NON-JURY TRIAL ROSTER JULY 11, 2011
ROSTER MEETING 10 AM COURTROOM 2-C

A roster meeting will be held on Monday, July 11, 2011 at 10:00 AM before Judge Alison R. Lee in Courtroom 2-C. ALL cases on this Roster are subject to trial. ATTENDANCE AT THE ROSTER MEETING IS MANDATORY. PLEASE NOTIFY THE COURT IN WRITING IF YOUR CASE IS SETTLED. Failure to appear or send a representative on your behalf may result in dismissal of the case. PLEASE BE PREPARED TO GO FOWARD IMMEDIATELY FOLLOWING THE ROSTER MEETING. THIS INCLUDES NOTIFYING ALL WITNESSES NECCESSARY FOR TRIAL.

Any request for a continuance is considered a motion and requires a $25.00 Motion fee, which must be paid at the time of the request.

Mail Notice To:	Court Info:
Desa Ballard Law Offices Of Desa Ballard, P A 226 State St. W. Columbia, SC 29169	Richland County Common Pleas Richland County Judicial Center 1701 Main Street Columbia, SC 29201-9201

Judge Alison R. Lee
Chief Administrative Judge
Fifth Judicial Circuit

Exhibit G
Page 2 of 8

LAW OFFICES OF DESA BALLARD
226 STATE STREET
WEST COLUMBIA, SOUTH CAROLINA 29169

COLUMBIA SC 292
05 JUL 2011 PM 1 L

James Spencer
7001 Saint Andrews Road
Box183
Columbia, South Carolina 29212

29212+1137 C091

DECLARATION OF MARGUERITE SANTACROCE

I, Marguerite Stephens, declare under penalty of perjury:

1. I am over eighteen years old and am qualified to testify.

2. The information in this declaration is based on my personal knowledge.

3. I never received answers to questions (interrogatories) I submitted to John Rakowsky through his attorney in the matter captioned 2008CP4006656, John R. Rakowsky vs. Adrian Falgione, et al.

4. These questions were submitted after the second amended complaint by Rakowsky was issued (July, 2010) as his complaint was adjusted based upon responses to each issuance of the previous versions of the complaint.

5. I never received an answer to the interrogatory questions I submitted in August 2010.

6. I never received accounting of the funds received by Rakowsky despite multiple requests of production submitted.

7. I understand that there was to be a motions hearing on obtaining the information we have been seeking as required to be provided by John Rakowsky under Rule 1.15 of South Rules of Legal Ethics.

8. I did not receive word of the docketing hearing held today July 11, 2011, until Friday July 8, 2011 when Irene Santacroce called me about a letter she just received from Desa Ballard.

9. I never received any correspondence from Desa Ballard to date on this hearing.

10. I knew nothing about the motion for a request for a date certain that was submitted to the Court until I talked to Irene Santacroce on July 8, 2011.

11. My father just passed away on May 14, 2011, as he was fighting cancer. I have been taking turns with my sister Irene Santacroce (another defendant in this matter) taking care of my 90 year old mother who is also fighting cancer

and dealing with the death of my father. As such without proper notice I could not attend today's docket hearing.

12. I respectfully ask the Court to compel discovery to proceed in this matter by compelling production and having Rakowsky answer the interpleader questions previously submitted and compel Desa Ballard to give proper notice and work out details regarding motions for hearings to me as a Pro Se litigant.

Affiant further sayeth naught.

I DO SOLEMLY SWEAR AND AFFIRM UNDER THE PENALITIES OF PERJURY THAT THE ABOVE FOREGOING STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY PERSONAL KNOWLEDGE.

This 11th day of July, 2011.

By:

Marguerite Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

DECLARATION OF RICKY STEPHENS

I, Ricky Stephens, declare under penalty of perjury:

1. I am over eighteen years old and am qualified to testify.

2. The information in this declaration is based on my personal knowledge.

3. I never received answers to questions (interrogatories) I submitted to John Rakowsky through his attorney in the matter captioned 2008CP4006656, John R. Rakowsky vs. Adrian Falgione, et al.

4. These questions were submitted after the second amended complaint by Rakowsky was issued (July, 2010) as his complaint was adjusted based upon responses to each issuance of the previous versions of the complaint.

5. I never received an answer to the interrogatory questions I submitted in August 2010.

6. I never received accounting of the funds received by Rakowsky despite multiple requests of production submitted.

7. I understand that there was to be a motions hearing on obtaining the information we have been seeking as required to be provided by John Rakowsky under Rule 1.15 of South Rules of Legal Ethics.

8. I did not receive word of the docketing hearing held today July 11, 2011, until Friday July 8, 2011 when Irene Santacroce called me about a letter she just received from Desa Ballard.

9. I never received any correspondence from Desa Ballard to date on this hearing.

10. I knew nothing about the motion for a request for a date certain that was submitted to the Court until I talked to Irene Santacroce on July 8, 2011.

11. As I am 100% disabled I was not able to arrange transportation to the docket hearing on such short notice.

12. I respectfully ask the Court to compel discovery to proceed in this matter by compelling production and having Rakowsky answer the interpleader questions previously submitted and compel Desa Ballard to give proper notice and work out details regarding motions for hearings to me as a Pro Se litigant.

Affiant further sayeth naught.

I DO SOLEMLY SWEAR AND AFFIRM UNDER THE PENALITIES OF PERJURY THAT THE ABOVE FOREGOING STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY PERSONAL KNOWLEDGE.

This 11th day of July, 2011.

By:

Ricky Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 283-6751

DECLARATION OF IRENE SANTACROCE

I, Irene Santacroce, declare under penalty of perjury:

1. I am over eighteen years old and am qualified to testify.

2. The information in this declaration is based on my personal knowledge.

3. I never received answers to questions (interrogatories) I submitted to John Rakowsky through his attorney in the matter captioned 2008CP4006656, John R. Rakowsky vs. Adrian Falgione, et al.

4. These questions were submitted after the second amended complaint by Rakowsky was issued (July, 2010) as his complaint was adjusted based upon responses to each issuance of the previous versions of the complaint.

5. I never received an answer to the interrogatory questions I submitted in August 2010.

6. I never received accounting of the funds received by Rakowsky of the funds despite multiple requests of production submitted.

7. I understand that there was to be a motions hearing on obtaining the information we have been seeking as required to be provided by John Rakowsky under Rule 1.15 of South Rules of Legal Ethics.

8. I did not receive word of the docketing hearing held today July 11, 2011, until Friday July 8, 201, when I received a letter from Desa Ballard. I knew nothing about the motion for a request for a date certain that was submitted to the Court until I talked to James Spencer on July 8, 2011.

9. My father just passed away on May 14, 2011, as he was fighting cancer. I have been taking turns with my sister Marguerite Stephens (another defendant in this matter) taking care of my 90 year old mother who is also fighting cancer and dealing with the death of my father. As such without proper notice I could not attend today's docket hearing.

10. I respectfully ask the Court to compel discovery to proceed in this matter by compelling production and having Rakowsky answer the interpleader questions previously submitted and compel Desa Ballard to give proper

notice and work out details regarding motions for hearings to me as a Pro Se litigant.

Affiant further sayeth naught.

I DO SOLEMLY SWEAR AND AFFIRM UNDER THE PENALITIES OF PERJURY THAT THE ABOVE FOREGOING STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY PERSONAL KNOWLEDGE.

This 11th day of July, 2011.

By:

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, SC 29588
(843) 455-0891

Exhibit "H"
Page 1 of 2

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desaballard.com

Tuesday, February 22, 2011

RECEIVED
FEB 23 2011
BY:

Via U.S. Mail
Honorable Alison Renee Lee
Richland County Judicial Center
1701 Main Street, Room 324
Post Office Box 192
Columbia, South Carolina 29202-0192

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Judge Lee:

Enclosed is a full copy the Motion to Strike and to File under seal in the above referenced matter that was sent to the Clerk of Court today for filing. Unlike the filed copy, this copy includes the confidential exhibits for the court's consideration *in camera*. These exhibits were likewise not provided to the opposing parties.

Thank you for your time in this matter. If you have any questions please do not hesitate to contact me, or Stephanie Weissenstein.

With warm personal regards, I am,

Sincerely yours,

Brooks Schumacher
Paralegal
brooks@desaballard.com

c: John Rakowsky, Esquire (Via E-mail)

22 JUL 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED
C.C.C.P&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

2 of 2 BR

Exhibit "H"
Page 2 of 2

Documents under seal — for review by the Court only

22 JUL 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED.
C.C.C.P&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

Exhibit "I"

THE COURT: Which is 9,000-some-odd dollars.

MR. RAKOWSKY: Our understanding was the agency that actually paid in.

THE COURT: He just said --

MR. RAKOWSKY: Nobody's ever notified Ms. Weissenstein --

THE COURT: Whoa! He just said the only people claiming any of that have all agreed that those funds should be paid into some lawyer's trust account.

MR. RAKOWSKY: We wouldn't object to that.

THE COURT: Unfortunately, you got an interpleader action. So what's probably going to have to happen is get that, funds paid into the Court and then you get this thing heard. If everybody is agreeable that the $9,000 ought to be paid to Mr. Young, then it will be paid to Mr. Young.

MR. SPENCER: We haven't been delaying putting this into --

THE COURT: I'm not blaming anybody. I'm just telling you, this case was filed, when was it, 2008?

MR. SPENCER: Yes, sir.

THE COURT: That's too long for everybody.

MR. SPENCER: Right. I agree. Mr. Rakowsky just made an offer that he will gladly submit the funds that aren't in dispute.

THE COURT: He can't. He's got an interpleader action now of which those are funds that are pled in the interpleader.

MR. SPENCER: Okay.

THE COURT: So you better get a hearing and get it resolved quickly. It sounds to me like y'all are fighting each other over something that you shouldn't be fighting at this stage. Pay the $9,000 to Mr. Young. Put the 55,000 in the Court. Then I don't know what you're going to have -- if y'all people dispute how the $9,000 should be divided up.

MR. SPENCER: No dispute.

THE COURT: Well then get it paid to whoever you agree should get it. He doesn't care. Then the $55,000 would be in the Court which is good. It's going to draw some interest. It's good as being in a trust account better, because if the lawyer absconds with the money you'll have to go find her. If the County absconds with it, you know where we are. So, draw me an order. I'm denying this order -- I mean, this motion. I don't have the authority to go behind Judge Seals' order. Judge Seals' already determined that they're not entitled to that information. What else?

MS. WEISSENSTEIN: Your Honor, would you like to make an order that the funds that could be inter pleaded into

the Court today?

THE COURT: Well, I can't do that. Nobody's been given notice of the hearing for that purpose. I can't do that. Seems to me if y'all can agree on that --

MS. WEISSENSTEIN: Your Honor, we have no pending --

THE COURT: If everybody can agree on it, let's take the $65,000 and pay it into the Court and acknowledge that the only people that are entitled to the $9,800 or so are these folks. Y'all agree that it would be paid to Mr. Young. I don't know why y'all would care about that.

MS. WEISSENSTEIN: This is the first we've heard of it, Your Honor.

THE COURT: And then sign a consent order paying that out.

MR. SPENCER: Your Honor --

THE COURT: Look, I don't care.

MR. SPENCER: Yeah.

THE COURT: But I do care about this. Come January 1 when I'm in charge of this roster, this case ain't going to stay here very long. It's an '08 case.

MR. SPENCER: Sounds good to me.

THE COURT: But y'all ought to be able to resolve it before then.

MR. SPENCER: I agree.

THE COURT: Sounds to me like you agree on it. You

Exhibit "J"

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desa@ballard.com

October 12, 2011

Via U.S. Mail

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Re: *Response to Interrogatories*
Case No: 2008-CP-40-6656

Dear Ms. Santacroce:

Please find enclosed your service copy of Plaintiff's Responses to Interrogatories. Let our office know if you have any questions.

With warm personal regards, I am.

Sincerely yours,

Christy Ransone, Sr. Paralegal
christy@desaballard.com

Enclosure

c: Andrew F. Lindemann, Esquire
Adrian L. Falgione, Esquire
James Spencer
Marguerite Stephens
Ricky Stephens
Rodney K. Lail

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**PLAINTIFF'S RESPONSE TO DEFENDANT IRENE SANTACROCE'S INTERROGATORIES**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison	)	
Defendants.	)	

TO IRENE SANTACROCE, *PRO SE:*

Pursuant to Rules 33 and 34, SCRCP, Plaintiff, through his counsel, answers Defendant Irene Santacroce's First Set of Interrogatories as follows, reserving the right to amend and/or supplement these responses:

GENERAL RESPONSES AND OBJECTIONS

1. Plaintiff objects to each Request to the extent that it seeks information and documents that are protected from disclosure by the attorney-client privilege, the work product rule, and any other applicable privilege law or rule.
2. Plaintiff objects to each Request to the extent that it seeks information for an unspecified time period. Such Requests are overly broad in time and scope and seek information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence and would be unduly burdensome to respond to such request.
3. Plaintiff objects to each Request to the extent it seeks to require answers, information, identification of documents or persons or things, or to impose any obligations beyond

what is permitted by the applicable South Carolina Rules of Civil Procedure or which are not relevant to this matter.

4. Plaintiff objects to each Request to the extent that it seeks disclosure of information, documents, things, facts, opinions, or any other matter prepared in anticipation of litigation or for trial which is outside the scope of discovery permitted by Rule 26(b)(3) of the South Carolina Rules of Civil Procedure.
5. Plaintiff incorporates his General Objections by reference as though fully set forth into its specific response to each and every Request served by Defendant Spencer.
6. Plaintiff reserves the right to supplement their responses to Defendant's discovery requests as additional information or documents become known.

RESPONSES TO INTERROGATORIES

1. Within thirty-three days after service hereof, you are requested to produce in writing under oath to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, listing what cases: Prior to undertaking Defendant Spencer's case captions Southern Holdings, Inc., et al. vs. Horry County, et al. **Case No: 20-CV-01859-RBH**, any and all cases, bit it civil or criminal, Plaintiff litigated in any United States Federal District Court and/or in any United States Federal Appellate Court. List each such case by name, date, citation and caption so that Defendant and/or any third party could easily locate documentation on such case.

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

2. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question: What has Plaintiff refused to list Resolution Settlement Corporation as a defendant in Case No. **2008-CP-40-6656** with a claim on the $55,000 of the "pseudo" settlement funds?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

3. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question: Did you provide your personal ECF pass code(s) to Defendant so Defendant could enter motions and answer to motions into the South Carolina Federal District Court's Electronic filing system?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

4. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question: Why did Plaintiff object to Dan Ivey, Esquire joining the legal team in the case captioned Southern Holdings, In. (sic), et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant

Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

5. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): Has the Plaintiff ever been sued by Resolution Settlement Corporation ("RSC"), Lit Funding and/or LawMax and /or an agent for any of the above companies regarding the funding of the case captioned Southern Holdings, In. (sic), et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**? Which entity sued Plaintiff? What are the dates of litigation? What was the resolution and the date of resolution of the proceeding? What documents does the Plaintiff have access to regarding such litigation and what is the identity of anyone the Plaintiff knows that has documents regarding any such litigation? Will Plaintiff provide all such documents to Defendant and if not on what legal basis would you not provide such documents?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

6. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): did Plaintiff purchase an electronic copier combination fax, etc., with the money advanced by Defendant or on behalf of the Defendant or Defendants in the case captioned Southern Holdings, In. (sic), et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**? If such a purchase was made, what was the amount of the money so expended on the purchase?

Vegas, Nevada to select and attorney or attorneys to be on Plaintiff's legal team in the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**, while in Las Vegas, Nevada?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

10. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question: Did Plaintiff interview Ron Serota, Esquire to join Plaintiff's Legal team in the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**, while in Las Vegas, Nevada?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

11. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question: Did Plaintiff meet with Mr. Gene Waas, Esquire in Las Vegas, Nevada? Did Mr. Gene Waas do legal research on the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH** for the Plaintiff?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

12. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): Did Plaintiff obtain the permission of Doris Holt to accept the proposed settlement t any time before and/or after May 9, 2007? When and where did Doris Hold give permission to settle the case on May 9, 2007?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

13. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): Did Doris Holt attempt to talk to Plaintiff subsequent to May 9, 2007? Did Plaintiff talk to Doris Holt subsequent to May 9, 2007? When and where did Plaintiff talk to Doris Holt from May, 2007, to date?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

14. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): What are the names of the attorneys who made an appearance and/or withdrew from the case while Plaintiff was a local counsel in the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**? What was the date Plaintiff first became involved in the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

15. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): What experience did Plaintiff have in litigation involving any claims under the Racketeering Influenced and Corrupt Organizations Act- 18 U.S.C § 1961 ("RICO") prior to undertaking the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH** (List complete citations, including captions and case numbers)?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

16. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): did Plaintiff personally recruit Adrian Falgione, Esquire to be co-counsel with Plaintiff in Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

17. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): What experience did Plaintiff understand that Adrian

Falgione have in litigating any claims under the Racketeering Influenced and Corrupt Organizations Act - 18 U.S.C § 1961 ("RICO") prior to undertaking the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH** (List complete citations, including captions and case numbers)?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

18. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): Did Plaintiff execute an agreement with RSC whereby Plaintiff agreed that any and all interpleader actions involving the case of Southern Holdings, Inc. et al. vs. Horry County, et al. **Case No: 02-CV-01859-RBH**, would be litigated in Nevada?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

19. Within thirty-three days after service hereof, you are requested to produce in writing under oath the answer to defendant at Suite 183, 7001 Saint Andrews Road, Columbia, SC 29212, to the following question(s): What is Plaintiff's interpretation of Rule 1.15(a), (d) and (e) of the South Carolina Rules of Professional Conduct?

ANSWER: Plaintiff objects to this interrogatory on the basis that the information sought is irrelevant and not likely to lead to admissible evidence. Plaintiff further objects to this interrogatory on the basis that Judge Seals quashed the subpoena issued by Defendant Spencer which requested substantially similar information and pursuant to the oral ruling of Judge Barber that such discovery is not appropriate in this action.

Answers and Objections to Santacroce's Discovery submitted by

Desa Ballard
Stephanie Weissenstein
BALLARD WATSON WEISSENSTEIN
Post Office Box 6338
West Columbia, South Carolina 29178
Telephone: 803.796.9299
Facsimile: 803.796.1066
E-mail: desab@desaballard.com
E-mail: Stephanie@desaballard.com
ATTORNEYS FOR PLAINTIFF

October 12, 2011

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND John R. Rakowsky Plaintiff, vs. Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C., Defendants.	IN THE COURT OF COMMON PLEAS Case No. 2008-CP-40-6656 **CERTIFICATE OF SERVICE**

I, James S. Johnson, an employee with the Law Offices of Ballard Watson Weissenstein, do hereby certify that I served a copy of the **Plaintiff's Response to Defendant Irene Santacroce's Interrogatories** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed, addressed as follows:

Andrew F. Lindemann
Davidson & Lindemann, P.A.
Post Office Box 8568
Columbia South Carolina 29202-8568
[Attorney for Horry County, South Carolina]

James Spencer
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Adrian Lee Falgione
Law Offices of Adrian Lee Falgione, LLC
113 E. Main Street, Suite A
Lexington, South Carolina 29072

Marguerite Stephens
207 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Ricky Stephens
207 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Rodney K. Lail
Post Office Box 2753
Myrtle Beach, South Carolina 29578

Christy Ransone, Sr. Paralegal

October 12, 2011
West Columbia, South Carolina

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desaballard.com

October 14, 2011

Via U.S. Mail
Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Re: Rakowsky v. Adrian L. Falgione, et al.
Case No. 2008-CP-40-6656

Dear Ms. Santacroce:

This is to inform you and the other defendants in receipt of our correspondence with discovery responses the style of the case on the response is incorrect. The responses should have been titled "Plaintiff's Response to Defendant James Spencer's Re-Request and Supplement of First Set of Interrogatories." Please replace the first page of the responses with the page I have enclosed for that purpose. The responses to your discovery request will be forthcoming.

With warm personal regards, I am,

Sincerely yours,

Christy Ransone, Sr. Paralegal
christy@desaballard.com

Enclosure

c: Andrew F. Lindemann
Adrian Falgione, Esquire
James Spencer
Marguerite Stephens
Ricky Stephens
Rodney K. Lail

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FIFTH JUDICIAL CIRCUIT
COUNTY OF RICHLAND	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**PLAINTIFF'S RESPONSE TO DEFENDANT**
	)	**JAMES SPENCER'S RE-REQUEST AND**
Adrian L. Falgione, James Spencer, Doris	)	**SUPPLEMENT OF FIRST SET OF**
Holt, Rodney Keith Lail, Irene Santacroce,	)	**INTERROGATORIES**
Marguerite Stephens and Ricky Stephens,	)	
Michael Hartness, Horry County, S.C.,	)	
Eugene G. Chewing, and Glenn W. Harrison	)	
	)	
Defendants.	)	
	)	

TO JAMES SPENCER, *PRO SE:*

Pursuant to Rules 33 and 34, SCRCP, Plaintiff, through his counsel, answers Defendant James Spencer's Re-Request and Supplement of First Set of Interrogatories as follows, reserving the right to amend and/or supplement these responses:

GENERAL RESPONSES AND OBJECTIONS

1. Plaintiff objects to each Request to the extent that it seeks information and documents that are protected from disclosure by the attorney-client privilege, the work product rule, and any other applicable privilege law or rule.
2. Plaintiff objects to each Request to the extent that it seeks information for an unspecified time period. Such Requests are overly broad in time and scope and seek information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence and would be unduly burdensome to respond to such request.
3. Plaintiff objects to each Request to the extent it seeks to require answers, information, identification of documents or persons or things, or to impose any obligations beyond

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	
	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**CERTIFICATE OF SERVICE**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C.,	)	
	)	
Defendants.	)	

I an employee with the Law Offices of Ballard Watson Weissenstein, do hereby certify that I served a copy of the amended first page of **Plaintiff's Response to Defendant James Spencer's Re-Request and Supplement of First Set of Interrogatories,** to supplement the previously served document with erroneous heading as Plaintiff's Response to Defendant Irene Santacroce's Interrogatories in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed, addressed as follows:

Andrew F. Lindemann
Davidson & Lindemann, P.A.
Post Office Box 8568
Columbia South Carolina 29202-8568
[Attorney for Horry County, South Carolina]

James Spencer
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Adrian Lee Falgione
Law Offices of Adrian Lee Falgione, LLC
113 E. Main Street, Suite A
Lexington, South Carolina 29072

Marguerite Stephens
207 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Ricky Stephens
207 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Rodney K. Lail
Post Office Box 2753
Myrtle Beach, South Carolina 29578

Christy Ransone, Sr. Paralegal

October 12, 2011
West Columbia, South Carolina

Exhibit "K"
Page 1 of 2

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT
CASE NO.: 2008-CP-40-6656

RICHLAND COUNTY FILED
2011 OCT 18 PM 4:19
JEANETTE W. McBRIDE C.C.P. & G.S.

John R. Rakowsky,

Plaintiff,

vs.

Adrian L Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing and Glenn W. Harrison,

Defendants.

ORDER DENYING MOTION TO COMPEL, SUBSTITUTING PARTIES, RELEASE OF LITIGATION FUNDS, AND AMENDING COMPLAINT ACCORDINGLY

This matter came before me on September 15, 2011, for hearing on Defendant James Spencer's "*EXPEDITED MOTION TO COMPEL DEFENDANTS REQUEST FOR PRODUCTION OF DOCUMENTS AND REQUEST TO COMPEL PLAINTIFF TO ANSWER DEFENDANTS FIRST ROUND OF INTEROGATORIES AND REQUEST FOR A JURY TRIAL ON ALL MATTERS RELATED TO 2008-CP-40-6656*". Present were the Plaintiff and his Counsel, Stephanie Weissenstein, Defendant, Adrian Falgione, *pro se*, and Defendants James Spencer and Rodney Lail, who are *pro se*.

This case was before the Honorable William H. Seals, Jr. for a hearing on July 11, 2011, for a hearing on several motions, including Plaintiff's motion to quash a subpoena issued against him at the behest of Defendant James Spencer. The subpoena which was the subject of that hearing and the requests for production which Mr. Spencer seeks to compel includes several of the same documents.

SCANNED

Exhibit "K"
Page 2 of 2

There is a long-standing rule in this State that one judge of the same court cannot overrule another. *Tisdale v. Amer. Life Ins. Co.*, 216 S.C. 10, 56 S.E.2d 580 (1950); *Dinkins v. Robbins*, 203 S.C. 199, 26 S.E.2d 689 (1943). Therefore, IT IS HEREBY ORDERED THAT Mr. Spencer's motion to compel the production of documents included in the subpoena is **Denied**[1].

The Court understands that Defendant Doris Holt is now deceased. Plaintiff Rakowsky, Defendant Falgione, Defendant Spencer and Defendant Lail consent to Doris Holt's estate being substituted as the real party at interest. The substitution of the estate is **Granted.**

IT IS SO ORDERED.

James R. Barber, III
Judge for the 5th Judicial Circuit

October 18, 2011
Richland County

[1] By the same written motion, Mr. Spencer also requested a jury trial. That issue was not addressed at the hearing.

Exhibit "M"

James Spencer

From: "James Spencer" <JamesBSpencer@sc.rr.com>
Date: Tuesday, November 01, 2011 6:14 PM
To: "Stephanie Weissenstein" <stephanie@desaballard.com>
Subject: Re: Judge Barber's Order, Interrogatories, Return of Non-Disputed Funds....

Ms. Weissenstein,

1. Are you telling me that you require a Court Order to release the $9,855.00 of uncontested funds and unless there is a Court Order you are still going to hold on to the $9,855.00 in uncontested funds under Rule 22?

2. Are you telling me that Judge Barber confirming that he never issued an Order against discovery in this case matters not to you and you are going to stand by your position of not providing the answers to the interrogatories despite Judge Barber's Order which clearly documents he did not rule against discovery?

Please confirm, so I know exactly what your position is!!!

Jim Spencer

From: Stephanie Weissenstein
Sent: Tuesday, November 01, 2011 4:49 PM
To: James Spencer ; Desa Ballard ; Christy Ransone
Subject: RE: Judge Barber's Order, Interrogatories, Return of Non-Disputed Funds....

Mr. Spencer,
I have received no court order directing the release of any funds in this matter.
Furthermore, we have responded to your requests for discovery and your motions to compel have been denied.
Your continued threats toward me are not warranted and will not be dignified by further response.

Stephanie Weissenstein, Attorney At Law
BALLARD WATSON WEISSENSTEIN
Post Office Box 6338
West Columbia, South Carolina 29171-6338
803-796-9299 ph
803-796-1066 fax

From: James Spencer [mailto:JamesBSpencer@sc.rr.com]
Sent: Tuesday, November 01, 2011 4:21 PM
To: Stephanie Weissenstein
Subject: Judge Barber's Order, Interrogatories, Return of Non-Disputed Funds....
Importance: High

Dear Ms. Weissenstein:

I just received Judge Barber's Order dated October 18, 2011, entitled "Order Denying Motion to Compel, Substitution of Parties, Release of Litigation Funds, and Amending Complaint Accordingly." In consideration of this Order applying to production of documents, please now fully answer the interrogatories previously submitted to you by me as your stated rationale for refusing to answer now clearly has no legitimate basis. The interrogatory questions are very basic, non-confidential and material in nature. Please submit the answers by noon Friday or I will be forced to seek a motion to compel and sanctions for your blatant refusal to cooperate in discovery in any manner.

On another matter, please indicate when you will have a check prepared in the amount of $9,855.00 as all parties in this action are on the Court record that the money is not in dispute. In that regard, if you continue misuse Rule 22 of the SCRCP to retain the funds you are misusing the Court system and in so doing violating Rule 1.15 of the South Carolina Rules of Professional ethics.

Please have the check for $9,855.00 ready to be picked up by noon on Friday. If you do not plan to comply with turning over the funds by noon on Friday, please so indicate by Wednesday at 6:00 p.m., so I can pursue legal remedies to obtain your compliance with the law.

Thank you very much,

/s/

James Spencer

Cc:
Irene Santacroce
Rodney Lail
Ricky Stephens
Marguerite Stephens
Estate of Doris Holt

The information contained in this message and any attachments is attorney/client privileged, and/or confidential or proprietary information intended only for the use of the individual or entity to which it is addressed. If you have received this message in error, you are prohibited from copying, distributing, or using the information. Please contact the sender immediately by return e-mail and delete the original message.

$67,000, I believe.

THE COURT: Wait. Hang on a minute. (Pause.) And tell me what it is you want.

MR. SPENCER: An accounting of what was done with over $100,000 that Mr. Rakowsky received in accordance with Rule 417.

THE COURT: He shows $67,500.

MR. SPENCER: I just received that this morning and I understand that. It -- we're saying that that number is not correct. We want the records that are due us. That's not the --

THE COURT: Are they any kind of a defendant? This is just a straight interpleader action?

MS. WEISSENSTEIN: Your Honor, the account records as required by Rule 417 and Rule 1.15 have been created. However, there's absolutely nothing in either one of those rules that requires a lawyer to turn over his bank records to his client. The rule merely requires that an accounting of all expenses be provided to the client. This has been provided to Mr. Spencer during the representation of him. It's been provided to other parties and, again, we provided it again today.

We cannot perceive how there's any dispute or question of fact or why that would even be relevant at this juncture. We have the money. We want to inter plead

that's were lending institutions that paid funds into the case prior to the settlement. And our position was that they might or might not have a claim. So that's why we named them all.

THE COURT: Who was that now?

MR. RAKOWSKY: There were a couple funding organizations that Mr. Spencer contacted that they paid money in advance of the trial to help fund the procedure of the case of the forwarding of the case.

THE COURT: All right.

MR. RAKOWSKY: And they're all named in that action, your Honor.

THE COURT: Here's the deal. I'm going to deny the motion to compel. I can't go behind Judge Seals' order. He's already determined that you're not entitled to this information. I don't have the authority to overturn -- one Circuit Judge can't go and say another Circuit Judge was wrong. I'd spent my whole life doing that because if they disagree with me, they're wrong.

MR. SPENCER: Okay.

THE COURT: So I don't have the authority to do that. I don't know what you all have that might satisfy these people, but you might sit down and try to see if there's some verification that, I don't know, where is that, that you spent $175, $170 with the Court of Appeals. So I

James B. Spencer

From: Desa Ballard [desab@desaballard.com]
Sent: Thursday, February 27, 2014 12:44 PM
To: Early, Doyet A. Law Clerk (Cassie M. Weathersbee)
Cc: Michael Sribnick; James B. Spencer; Stephanie Weissenstein; adrian; Andrew Lindemann; Ben Bruner; Terrie Stafford; Terrie Stafford
Subject: RE: Rakowsky v. Falgione, Case No. 2008-CP-40-6656

Thanks - I appreciate your help.

db

Desa Ballard
Ballard Watson Weissenstein
Telephone 803.796.9299
Facsimile 803.796.1066
E-mail: desab@desaballard.com, copy to terrie@desaballard.com

-----Original Message-----
From: Early, Doyet A. Law Clerk (Cassie M. Weathersbee)
[mailto:dearlylc@sccourts.org]
Sent: Thursday, February 27, 2014 12:30 PM
To: Desa Ballard
Cc: Michael Sribnick; James B. Spencer; Stephanie Weissenstein; adrian;
Andrew Lindemann; Ben Bruner; Terrie Stafford
Subject: Re: Rakowsky v. Falgione, Case No. 2008-CP-40-6656

Ms. Ballard:

Judge Early is not issuing an order at this time. He will hold his rulings in abeyance, pending a ruling on the motion in federal court.

Thanks,

Cassie Hall, Esq.
Law Clerk to the Honorable D.A. Early, III The Circuit Court of the 2nd Judicial Circuit PO Box 90 Bamberg, SC 29003
Telephone: 803.245.4004
Fax: 803.245.2983
dearlylc@sccourts.org<mailto:dearlylc@sccourts.org>

On Feb 27, 2014, at 11:47 AM, Desa Ballard
<desab@desaballard.com<mailto:desab@desaballard.com>> wrote:

Is Judge Early going to issue an order from this week's hearing?

db

Desa Ballard
Ballard Watson Weissenstein

Telephone 803.796.9299
Facsimile 803.796.1066
E-mail: desab@desaballard.com<mailto:desab@desaballard.com>, copy to terrie@desaballard.com<mailto:terrie@desaballard.com>

-----Original Message-----
From: Early, Doyet A. Law Clerk (Cassie M. Weathersbee) [mailto:dearlylc@sccourts.org<http://sccourts.org>]
Sent: Thursday, February 27, 2014 10:45 AM
To: Desa Ballard; Michael Sribnick; James B. Spencer; Stephanie Weissenstein; adrian
Cc: Andrew Lindemann; Ben Bruner; Terrie Stafford
Subject: Rakowsky v. Falgione, Case No. 2008-CP-40-6656

Regarding the above referenced case, since there is currently a pending motion in federal court as to the validity of the settlement in the original lawsuit, Judge Early will hold this case in abeyance until there has been a ruling on the federal court motion. Judge Early will, however, conduct a hearing to return litigation funds on Monday, April 28th at 1:30 in Bamberg. Please confirm that you will be able to attend the hearing.

Judge Early will require that affidavits and evidence of all monies paid to Plaintiff's counsel in the original lawsuit for litigation expenses be provided to the Court no later than 10 days prior to hearing. Furthermore, affidavits and evidence of expenditures from the litigation funds are required to be provided to the Court no later than 10 days prior to hearing.

Please let me know if you have any questions or concerns.

Thank you,

Cassie Hall, Esq.
Law Clerk to the Honorable D.A. Early, III The Circuit Court of the 2nd Judicial Circuit PO Box 90 Bamberg, SC 29003
Telephone: 803.245.4004
Fax: 803.245.2983
dearlylc@sccourts.org<mailto:dearlylc@sccourts.org><mailto:dearlylc@sccourts.org>

On Feb 24, 2014, at 2:44 PM, Desa Ballard <desab@desaballard.com<mailto:desab@desaballard.com><mailto:desab@desaballard.com>> wrote:

Please take up any issues you have tomorrow on the record.

db

Desa Ballard
Ballard Watson Weissenstein
Telephone 803.796.9299

Facsimile 803.796.1066
E-mail:
desab@desaballard.com<mailto:desab@desaballard.com><mailto:desab@desabal
lard.com>, copy to
terrie@desaballard.com<mailto:terrie@desaballard.com><mailto:terrie@desa
ballard.com>

From: Michael Sribnick
[mailto:michael.g.sribnickmdjdllc@gmail.com<http://gmail.com><http://gma
il.com>]
Sent: Monday, February 24, 2014 2:39 PM
To: Desa Ballard
Cc:
dearlyj@sccourts.org<mailto:dearlyj@sccourts.org><mailto:dearlyj@sccourt
s.org>; Stephanie Weissenstein; Adrian Falgione; Andrew Lindemann; James
B. Spencer; Early, Doyet A. Law Clerk (Cassie M. Weathersbee)
Subject: Re: Ms. Ballard's email.

Dear Ms. Ballard:
    This is simply not acceptable.
Michael G. Sribnick, M.D., J.D.

On Mon, Feb 24, 2014 at 1:54 PM, Desa Ballard
<desab@desaballard.com<mailto:desab@desaballard.com><mailto:desab@desaba
llard.com>> wrote:
Ms. Weissenstein will be present tomorrow to address any issues on the
record.

db

Desa Ballard
Ballard Watson Weissenstein
Telephone 803.796.9299<tel:803.796.9299> Facsimile
803.796.1066<tel:803.796.1066>
E-mail:
desab@desaballard.com<mailto:desab@desaballard.com><mailto:desab@desabal
lard.com>, copy to
terrie@desaballard.com<mailto:terrie@desaballard.com><mailto:terrie@desa
ballard.com>

From: Michael Sribnick
[mailto:michael.g.sribnickmdjdllc@gmail.com<http://gmail.com><mailto:mic
hael.g.sribnickmdj
dllc@gmail.com<mailto:dllc@gmail.com>>]
Sent: Monday, February 24, 2014 1:36 PM
To:
dearlyj@sccourts.org<mailto:dearlyj@sccourts.org><mailto:dearlyj@sccourt
s.org>; Desa Ballard; Stephanie Weissenstein; Adrian Falgione; Andrew
Lindemann; James B.
Spencer; Early, Doyet A. Law Clerk (Cassie M. Weathersbee)
Subject: Ms. Ballard's email.

Dear Judge Early and Ms. Weatherbee, Esq.:
I have received an email stating that Ms. Weissenstein, Esq. will be
appearing for Mr. Rakowsky, Esq. I find this unacceptable as I have
subpoenaed Mr. Rakowsky, and Mr. Falgione and the production of the
settlement agreement from the Southern Holdings case as required under

Rule 407 1.8(g). Furthermore, if Ms. Weissenstein is representing Mr. Rakowsky at tomorrow's hearing, this is a contested is a contested issue, and a violation of Rule 407 3.7(a)(1). If Mr. Rakowski is truly unable to attend the hearing and honor his subpoena, then I ask that his Honor, Judge Early, delay the hearing. I presently have a call into both Ms. Ballard and Ms. Weissenstein, but both are unavailable.
Sincerely,
Michael G. Sribnick

--
Michael G. Sribnick M.D., J.D., LLC
DISCLAIMER:
The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential medical and/or legally privileged material. Any review, retransmission, dissemination or other use of this information, directly or indirectly, by persons or entities other than the intended recipient is prohibited. If you are not the intended recipient please contact the sender and delete the material from all computers in which it resides. Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late, incomplete, or contain viruses. Therefore, I do not accept responsibility for any errors or omissions that are present in this message, or any attachments, that have arisen as a result of e-mail transmission. If verification is required, please request a hard-copy version. Any views or opinions represented are solely those of the author.

--
Michael G. Sribnick M.D., J.D., LLC
DISCLAIMER:
The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential medical and/or legally privileged material. Any review, retransmission, dissemination or other use of this information, directly or indirectly, by persons or entities other than the intended recipient is prohibited. If you are not the intended recipient please contact the sender and delete the material from all computers in which it resides. Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late, incomplete, or contain viruses. Therefore, I do not accept responsibility for any errors or omissions that are present in this message, or any attachments, that have arisen as a result of e-mail transmission. If verification is required, please request a hard-copy version. Any views or opinions represented are solely those of the author.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	Case No. 2008-CP-40-6656
	)	
John R. Rakowsky	)	
	)	
Plaintiff,	)	
vs.	)	**AFFIDAVIT OF MARA T. BALLARD, CFE, CMA**
	)	
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison	)	
	)	
Defendants.	)	

Personally appeared before me, Mara T. Ballard, who being duly sworn, deposes and says that:

1. I am over the age of eighteen years and am competent to state the matters which are set forth herein. I have personal knowledge of the matters stated herein, except as to those matters stated on information and belief, and as to those, I have a good faith belief regarding the accuracy thereof.

2. I am a Certified Fraud Examiner, Forensic Accountant and Certified Management Accountant and have been employed by Desa Ballard, PA d/b/a Ballard & Watson, Attorneys at Law, f/k/a Ballard Watson Weissenstein, f/k/a Law Offices of Desa Ballard since 2000. My *Curriculum Vitae* is provided as Exhibit D. I regularly assist in reviews of lawyer trust accounts as part of the representation to attorneys offered by the firm and provide conclusions based on my expertise and the review of relevant trust account documents.

3. As part of the firm's representation of Mr. Rakowsky, which began in February 2008, when Las Vegas attorney Ron Serota filed a complaint against Mr. Rakowsky with the Office of Disciplinary Counsel, I have reviewed the trust account records of the Plaintiff as they pertain to Mr. Rakowsky's representation of plaintiffs in the underlying matter of Southern Holdings et al. v. Horry County, Case No. 4:02-cv-1859-RBH (hereafter "the civil litigation.").

4. As part of my review, I have reviewed Mr. Rakowsky's file on the civil litigation as well as bank statements and cleared checks for his attorney trust account (account ending in 1313) the period June 2005, to July 2008[1].

[1] Statements for January 2006 and July 2006 were missing and unavailable for review.

MDB 4.17.2014 MTB0001

5. Based on his trust account records and the file, Mr. Rakowsky received a total of $67,500.00 as advanced litigation funds from Lit Funding and Resolution Settlement Corporation for the civil litigation. None of the advanced funds came from James Spencer or Southern Holdings.

6. Attached as Exhibit A is my accounting reconstruction of all transactions for the civil case reflecting the receipt and disbursement of $67,500.00 from Mr. Rakowsky's trust account. When Mr. Rakowsky initially retained our firm, Southern Holdings' (James Spencer) trust ledger indicated an ending balance of $9,855.55 (Exhibit B attached). Those funds were transferred to Ms. Ballard's trust account in May, 2008. Exhibit A also contains copies of the source documents and / or cancelled checks that I have been able to locate which support the expenditures made by Mr. Rakowsky.

7. At Ms. Ballard's instructions, on December 17, 2008, we issued Check No. 1892 from Ms. Ballard's trust account payable to Eugene G. Chewning, Jr., PhD, CPA after confirmation by Mr. Rakowsky this was a legitimate cost in the civil litigation. The current balance of the remaining advanced litigation funds in Ms. Ballard's trust account is $7,691.78.

8. There is no evidence in Mr. Rakowsky's file or his trust account records that he ever received any funds, or specifically, thirty-five thousand dollars ($35,000), from an entity named Law Max. We did locate documents attached as Exhibit C, which evidence the funding of this loan. However, there is no evidence Mr. Rakowsky ever received any funds from Law Max.

Further, deponent sayeth not.

Mara Ballard
Mara T. Ballard, CFE, CMA

April 17, 2014
Lexington County, SC

Sworn to before me this 17th
day of April, 2014
Elizabeth K Copa
Notary public for South Carolina
My Commission expires: 11-1-23

Law Offices of John R. Rakowsky
Client Trust Ledger

EXHIBIT A

Client: Southern Holdings, et. al. (James Spencer)

Deposits:

Date:	Source:	Amount:
6/21/2005	LitFunding	$42,500.00
6/30/2005	RSC	25,000.00
	Total Deposits	$67,500.00

Expenses:

Date:	Payee	CK #	Amount	Notes:
6/23/2005	Corporate Financial Group	157	$ 1,250.00	Reimburse Serota for Payment to Smith Economics Group, LTD
6/30/2005	US Postmaster	158	13.65	Cain
6/30/2005	Forensic Tap Analysis	159	11,000.00	S. Cain - Payment on Account
7/1/2005	Ronald Serota	160	1,050.00	Expenses to Serota
7/1/2005	John R. Rakowsky	161	413.00	Partial Reimbursement for Copier / Printer and Accessories
7/11/2005	IKON	162	305.15	Copies Inv L0705070094
7/11/2005	Mark Hardee	163	150.00	Costs to prior counsel
7/12/2005	Garber Reporting	164	379.45	Invoice 07-05-125
7/12/2005	Garber Reporting	165	508.80	Invoice 07/05/130
7/13/2005	IKON	166	418.49	Copies Inv L0705070133
7/21/2005	IKON	167	69.63	Copies Inv L0705070180
7/19/2005	US Postmaster	168	50.65	Postage / Copies
7/19/2005	Brian Holt	169	2,500.00	Personal Advance
7/27/2005	Kimberly Sellers	170	1,780.00	Paralegal Work
8/11/2005	US Court of Appeals	171	170.00	Filing Fee - Serota Admission
8/24/2005	John R. Rakowsky	172	78.53	ATT Long Distance
9/2/2005	Mary Beth Collier, PHd	173	2,055.00	Consultant Fee
9/2/2005	Eugene G. Chewning	174	6,306.25	Consultant Fee
9/6/2005	Cash for Postage	178	37.00	Postage
9/2/2005	Glenn Harrison	179	6,094.00	Consultant Fee
10/17/2005	James Spencer	186	5,000.00	Personal Advance
2/23/2006	Gibson Moore Appellate	216	361.28	Invoice 280 from Mark Hardee
3/7/2006	John Rakowsky	219	200.00	Costs Advanced
6/5/2006	John Rakowsky	233	1,000.00	Costs Advanced
8/8/2006	John Rakowsky	247	405.97	Costs Advanced
10/9/2006	Allen Geoghgan	261	500.00	Videos
12/6/2006	John Rakowsky	277	500.00	Costs Advanced
12/15/2006	James Spencer	287	750.00	Personal Advance
2/7/2007	James Spencer	307	1,500.00	Personal Advance
2/9/2007	John O'Leary	319	3,000.00	Consultant Fee
3/1/2007	Forensic Tape Analysis	325	900.00	Pre Deposition Preparation Fee

3/9/2007	James Spencer	326	1,600.00	Personal Advance
3/15/2007	James Spencer	329	1,200.00	Personal Advance
4/13/2007	Adrian Falgione	341	600.00	Costs Advanced
4/18/2007	John R. Rakowsky	342	1,000.00	Costs Advanced
5/8/2007	Al Cannon	357	800.00	Consultant Fee
6/12/2007	Adrian Falgione	369	650.00	Costs Advanced
6/25/2007	Southern Reporting	376	283.40	Invoice 280PR1
6/28/2007	Spectrum Reporting	377	100.00	Invoice 3657
6/25/2007	Rose Reporting	378	291.20	Invoice 6727
6/28/2007	Creel Reporting	379	100.00	Invoice 07-606
6/28/2007	Spectum Reporting	380	445.00	Invoice 3579
6/28/2007	Williams Reporting	381	144.00	Invoice 07-127-EL
6/28/2007	Document Technologies	382	108.40	Invoice 20602
10/7/2007	Spectrum Reporting	392	135.50	Invoice 3690
10/16/2007	O'Leary and Assoc.	393	1,106.40	Consultant Fee
12/14/2007	John Rakowsky	400	333.40	Costs Advanced (Partial Ck)
	Total Checks		$ 57,644.15	
	Remaining Litigation Funds		9,855.85	
	Difference		$ -	

Office Expenses		
	Copying	$ 358.62
	Filing Fees	350.00
	Postage	10.00
	Travel	697.50
	Supplies	425.78
	Telephone LD	659.16
	Common Wealth Ct Reporter	938.31
	Less Cks For Costs (above)	(3,439.37)
Total Office Expenses		$ -

Law Offices of John R. Rakowsky

LitFunding Analysis

Loans:	Amount
LFC 101, LLC Agreement	$ 47,500.00
LFC 104, LLC Agreement	2,500.00
Total Amount of Loans	$ 50,000.00
Less: 1st Choice Payoff	(7,500.00)
Net Amount of Loans	$ 42,500.00
LitFunding Checks Received for Loans	
LFC 101, LLC CK 1006	$ 40,375.00
LFC 104, LLC CK 105	2,125.00
Net Amount of Loans	$ 42,500.00



LFC 101, LLC

1006

Law Office of John Rakowsky 6/20/2005

40,375.00

Southwest USA		For advance to James Spencer, et.al. v. Horry Cou			TOTAL	40,375.00

Printed using Ameliasoft

LFC 104, LLC

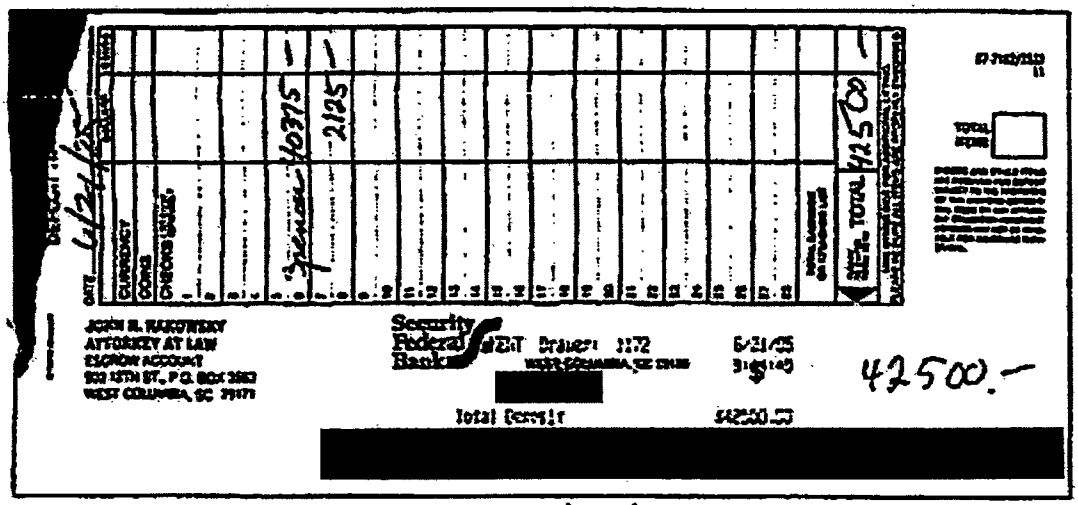
105

Law Office of John Rakowsky 6/20/2005

2,125.00

Southwest USA Bank		For advance to James Spencer, et.al. v. Horry Cou			TOTAL	2,125.00

Printed using Ameliasoft



Date 06/21/05 Amt $42,500.00

Security Federal Bank

RECEIPT Drawer: 1172 6/21/05
Trans#: 17 9:14:40

[redacted]

Total Deposit $42500.00

Certain check deposits may not be available for immediate withdrawal.

Form 1801

MTB0008

Security Federal Bank
P.O. BOX 810 • AIKEN, SOUTH CAROLINA 29802

Date 6/30/05
Primary Account
Enclosures

Page 1

JOHN R RAKOWSKY ATTORNEY AT LAW
IOLTA
PO BOX 3593
WEST COLUMBIA SC 29171

SUMMARY:

ACCOUNT NUMBER	ACCOUNT TITLE	CURRENT BALANCE	ENCLOSURES
[redacted]	PROPRIETORSHIP CKG	66,261.12	2

PROPRIETORSHIP CKG
Account Number [redacted]
Previous Balance
3 Deposits/Credits
3 Checks/Debits
Service Charge
Interest Paid
Current Balance

Number of Enclosures 2
Statement Dates 6/01/05 thru 6/30/05
Days in the statement period 30
Average Ledger
Average Collected
Interest Earned
Annual Percentage Yield Earned
2005 Interest Paid

ACTIVITY IN DATE ORDER

DATE	DESCRIPTION	AMOUNT	BALANCE
6/03	Debit [redacted]	[redacted]	[redacted]
6/21	Deposit	12,500.00	42,508.50
6/30	Deposit	25,000.00	67,508.50
6/30	Check 157	1,250.00-	66,258.50

--- CHECKS IN NUMBER ORDER ---

DATE	CHECK NO	AMOUNT
6/30	157	1250.00

* DENOTES MISSING CHECK NUMBERS

INTEREST RATE SUMMARY

DATE	RATE
6/22	0.2500%

LITFUNDING USA
3700 PECOS MCLEOD, SUITE 100
LAS VEGAS, NV 89121
T: (702) 317-1610 · F:(702) 317-1611

September 8, 2005

John Rakowsky, Esq.
LAW OFFICE OF JOHN RAKOWSKY
900 12th Street
Cayce, SC 29033

Dear Mr. Rakowsky:

Enclosed are copies of the fully executed Contingent Advance and Security Agreements for the case of ***James Spencer, et. al. v. Horry County, et. al.***

Please retain these for your records. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Vera Stein
Director of Client Oversight and
Risk Management
LitFunding USA
Phone: (702) 317-1610
Fax: (702) 317-1611

CONTINGENT ADVANCE AND SECURITY AGREEMENT
(NR)

LFC 101, LLC, a Nevada Corporation, and the **LAW OFFICE OF JOHN RAKOWSKY** and John Rakowski ("Attorney") hereby enter into this Contingent Advance And Security Agreement on this 21st day of June 2005, for good and valuable consideration.

Section One: Definitions

1.1 Advance. As used herein the term "Advance" means the sum of forty seven thousand five hundred dollars ($47,500.00) advanced to Attorney pursuant to this Agreement, less any fees or commissions payable from this sum with the consent of Attorney.

1.2 Agreement. As used herein the term "Agreement" refers to this Contingent Advance And Security Agreement, together with the attached Declaration of Attorney and Client Consent Form.

1.3 Claims. As used herein the term "Claims" refers to any and all causes of action, claims for relief, recovery rights, or rights to payment of any kind stated by the Plaintiff in the Lawsuit, incorporated into the Lawsuit by later amendment, or included in any other lawsuit seeking relief on the same Claims, whether filed by the Plaintiff, or by any assignee, or successor-in-interest to the Plaintiff.

1.4 Fee. As used herein the term "Fee" refers to the applicable amount indicated in the table below:

	Payment Time Frame	Fee Amount
A.	If the Advance is paid in full on or before July 21, 2005	$7,125.00
B.	If the Advance is paid in full after July 21, 2005 but before August 21, 2005	$14,250.00
C.	If the Advance is paid in full after August 21, 2005 but before September 21, 2005	$21,375.00
D.	If the Advance is paid in full after September 21, 2005 but before October 21, 2005	$28,500.00
E.	If the Advance is paid in full after October 21, 2005 but before November 21, 2005	$35,625.00
F.	If the Advance is paid in full any time after November 21, 2005 it will continue to increase at the rate of 15% per month.	15% per month

1.5 Lawsuit. As used herein the term "Lawsuit" refers to the action entitled James Spencer, et. al. v. Horry County, et. al., bearing Case No. 4021185927, which is pending in the United States District Court, District of South Carolina, Florence Division, inclusive of any future amended, or later filed or re-filed versions of the same.

1.6 Plaintiff. As used herein the term "Plaintiff" refers to James Spencer, et. al.

1.7 Recovery. As used herein the term "Recovery" refers to any payments, or other consideration of any kind, paid to, or for the benefit of, the Plaintiff or Attorney, on account of the Claims, whether obtained through the Lawsuit, or through any later action or proceeding where the

judgment, settlement, or other relief is obtained on account of the Claims, whether by Plaintiff, or any assignee or other holder of the Claims.

1.8 Attorney Recovery. As used herein the term "Attorney Recovery" is forty percent (40%) of the Recovery, whether or not these funds are actually paid to the Attorney for services rendered to Plaintiff.

Section Two: Amount And Terms of Advance

2.1 LFC 101, LLC agrees to make an Advance to Attorney in the amount of forty seven thousand five hundred dollars ($47,500.00) to fund the costs associated with the pursuit of a Recovery on account of the Claims, subject to the terms and conditions provided for herein. Once LFC 101, LLC has tendered the Advance in good funds, and Attorney has accepted the same, then LFC 101, LLC's obligations under this contract are fully performed.

2.2 Within three (3) business days of the Attorney's receipt of Recovery, Attorney shall pay to LFC 101, LLC a sum equal to the lesser of the following two amounts (the "Payment Obligation"):

A. The Advance plus the accrued Fee; or

B. An amount equal to the Attorney Recovery.

If for any reason no Recovery is generated on the Claims, then Attorney shall have no further liability hereunder except as otherwise provided herein.

2.3 ATTORNEY ACKNOWLEDGES AND AGREES THAT THE TERM "ATTORNEY RECOVERY" AS DEFINED HEREIN IS FORTY PERCENT (40%) OF THE RECOVERY ON THE CLAIMS, *WHETHER OR NOT THIS SUM IS ACTUALLY PAID TO ATTORNEY BY PLAINTIFF. STATED OTHERWISE* ATTORNEY RECOGNIZES AND ACKNOWLEDGES THAT ALTHOUGH THE PAYMENT OBLIGATION IS CONTINGENT UPON THE AMOUNT OF THE RECOVERY, IT IS NOT CONTINGENT UPON WHETHER OR NOT ATTORNEY ACTUALLY OBTAINS PAYMENT FROM THE PLAINTIFF FOR HIS FEES AND COSTS. IF A RECOVERY IS OBTAINED ON THE CLAIMS, THEN THE PAYMENT OBLIGATION (the lesser of the Advance plus the accrued Fee, or an amount equal to the Attorney Recovery) MUST BE PAID BY ATTORNEY, NOTWITHSTANDING ANY PAYMENT PROBLEMS THAT ATTORNEY MAY EXPERIENCE WITH PLAINTIFF.

2.4 Attorney and Plaintiff agrees to notify LFC 101, LLC within one (1) day of the payment of any Recovery, and to hold any Recovery in a separate state bar mandated interest bearing trust account for LFC, 101, LLC until the Payment Obligation is paid in full.

Section Three: Lien Rights

3.1 Attorney hereby grants LFC 101, LLC a first priority lien against any and all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to the pursuit of the Claims. The lien shall also encumber the proceeds of the foregoing. The foregoing lien shall secure all obligations hereunder, including but not limited to the Payment Obligation. LFC 101, LLC is hereby authorized to file a UCC-1 with the applicable Secretary of State, or to take any other action reasonably necessary to duly perfect this lien.

3.2 Attorney agrees that any lien in favor of Attorney against the Recovery for fees and costs is assigned to LFC 101, LLC as additional collateral.

Section Four: Representations And Warranties

4.1 Attorney represents and warrants that Attorney has investigated other funding alternatives, and has independently determined that the Fee being charged for the Advance is reasonable.

4.2 Attorney represents and warrants that to the best of Attorney's knowledge, in the exercise of reasonable prudence, Plaintiff possesses full, complete and unencumbered rights to the Recovery, and intends to retain such rights during the terms of this Agreement.

4.3 Attorney represents and warrants that Attorney has accurately represented the status of the Lawsuit and further represents that neither the Plaintiff, nor any of the defendants, are currently in bankruptcy, receivership or liquidation.

4.4 Attorney represents and warrants that Attorney fully understands that the Advance made hereunder is not a recourse loan, but a non-recourse financial transaction pursuant to which the funds are materially at risk.

Section Five: Withdrawal/Rescission

5.1 If Attorney is replaced as counsel for Plaintiff in the Lawsuit, for any reason, Attorney must immediately notify LFC 101, LLC of said substitution.

5.2 In the event Attorney is replaced as counsel by Plaintiff, LFC 101, LLC shall have the unilateral right to rescind this Agreement. If LFC 101, LLC chooses rescission, then Attorney shall immediately pay to LFC 101, LLC the amount of the Advance plus ten percent (10%) interest thereon from the date of the Advance. Alternatively, LFC 101, LLC can retain its rights hereunder, including its lien rights.

5.3 If LFC 101, LLC discovers that any of the material information provided by Attorney regarding the Claims or the Lawsuit is not truthful, honest or complete, or that any of the Claims in the Lawsuit are illegal or asserted in bad faith, LFC 101, LLC shall have the right to rescind this Agreement. If LFC 101, LLC chooses rescission on this basis, then Attorney shall immediately pay to LFC 101, LLC the amount of the Advance, plus the Fee.

Section Six: Miscellaneous

6.1 This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and any modifications thereto must be in writing and signed by both parties.

6.2 Attorney has read, understands, and agrees to all of the terms, promises, authorizations and instructions set forth herein and understands, and agrees to all of the terms, promises, authorizations and instructions set forth in this Agreement.

6.3 By executing the Agreement, Attorney acknowledges receipt of the Advance, and LFC 101, LLC's consequent full performance of its obligations hereunder.

6.4 This agreement shall inure to the benefit of and be binding upon and enforceable against the parties hereto and their successors and assigns.

6.5 Each of the parties hereto agrees to execute and deliver, or cause to be executed and delivered, all such instruments, and to take all such actions as the other party may reasonably request which are reasonably necessary to effectuate the intent and purposes of this Agreement, all at the sole expense of the requesting party.

6.6 In the event that LFC 101, LLC is required to take any legal action to interpret or to enforce the terms of this Agreement, then LFC 101, LLC shall be entitled to recover the full amount of any attorneys fees and costs incurred, whether or not a legal action is commenced.

6.7 The parties to this Agreement, and each of them, hereby represent and warrant that they have the full authority to execute this Agreement and to fully bind the respective parties to each and all of the terms and conditions set forth herein.

6.8 This Agreement constitutes a single, integrated written contract, expresses the entire agreement of the parties with respect to the subject matter of this agreement, and supersedes all negotiations, prior discussions, and preliminary agreements.

6.9 This Agreement was jointly prepared through negotiations of the parties, and the provisions of the agreement are not to be strictly or liberally construed for or as against any of the parties.

6.10 The parties agree that this agreement shall be interpreted and construed under the laws of the State of Nevada. All parties agree that in the event any dispute arises over the interpretation or enforcement of this Agreement, jurisdiction over the matter and the parties shall only be appropriate in Clark County, Nevada, unless LFC 101, LLC consents in writing to have such dispute heard in another jurisdiction.

6.11 This Agreement may be executed in counterparts and each counterpart shall be effective as an original.

LFC 101, LLC
a Nevada corporation

By: Morton Reed

Name: Morton Reed

Title: Chief Executive Officer

Date: 6/21/05

LAW OFFICE OF JOHN RAKOWSKY

By: John R. Rakowsky

Name: John Rakowsky

Date: 6/20/05

Attorney (Initial) JR

6.6 In the event that LFC 101, LLC is required to take any legal action to interpret or to enforce the terms of this Agreement, then LFC 101, LLC shall be entitled to recover the full amount of any attorneys fees and costs incurred, whether or not a legal action is commenced.

6.7 The parties to this Agreement, and each of them, hereby represent and warrant that they have the full authority to execute this Agreement and to fully bind the respective parties to each and all of the terms and conditions set forth herein.

6.8 This Agreement constitutes a single, integrated written contract, expresses the entire agreement of the parties with respect to the subject matter of this agreement, and supersedes all negotiations, prior discussions, and preliminary agreements.

6.9 This Agreement was jointly prepared through negotiations of the parties, and the provisions of the agreement are not to be strictly or liberally construed for or as against any of the parties.

6.10 The parties agree that this agreement shall be interpreted and construed under the laws of the State of Nevada. All parties agree that in the event any dispute arises over the interpretation or enforcement of this Agreement, jurisdiction over the matter and the parties shall only be appropriate in Clark County, Nevada, unless LFC 101, LLC consents in writing to have such dispute heard in another jurisdiction.

6.11 This Agreement may be executed in counterparts and each counterpart shall be effective as an original.

LFC 101, LLC
a Nevada corporation

By: Morton Reed

Name: Morton Reed

Title: Chief Executive Officer

Date: 6/21/05

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: _____

Attorney _____
(Initial)

Ron Lenoff Attorney
for Corporate Law Center
6/17/05

RECORD ON APPEAL

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

Case No: 2014-002029

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

The Honorable Judge Doyet A. Early, III, Jr. Circuit Court Judge

---

John R. Rakowsky, *Respondent*

v.

Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson, on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene Chewing, and Glenn W. Harrison, Defendants,

Of whom James Spencer, Irene Santacroce, Rodney Keith Lail, and the Estate of Doris Holt are *Appellants*.

RECORD ON APPEAL

VOLUME TWO

Appellants
Michael G. Sribnick, M.D., J.D., LLC
3 Kenilworth Avenue
Charleston, SC 29403
(843) 789-8907

Respondent
Desa Ballard, Esquire
Ballard and Watson, Attorneys at Law
PO Box 6338
West Columbia, SC 29171

James B. Spencer, *Pro Se,* Appellant
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212
(803) 414-0889

Index

Court Orders	**Pg. #**
Court Order Judge Seals, August 3, 2011	1-4
Court Order, Judge Barber, October 18, 2011	5-6
Court Order -Denying Motion to Compel Judge Couch, July 19, 2012	7-10
Court Order, Judge Early, January 10, 2014	11-12
Partial Relief Order, Judge Early, June 27, 2014	13-24
Final Order, Judge Early, December 23, 2014	25-38
Pleadings	
Complaint for Interpleader Desa Ballard, September 12, 2008	39-47
Motion for Immediate Release of Litigation Funds, October 20, 2008	48-59
Motion to Amend Complaint, July 28, 2010	60-61
Second Amended Complaint for Interpleader, July 28, 2010	62-68
Response & Counter Claims, Second Amended Complaint, August 29, 2011	69-94
Plaintiff s Response to Defendant's Amended Counter Claim (See Pg. 22), May 7, 2012	95-100
Defendant's Motion to Amend Answer, August 30, 2011	101-106
Objections to Plaintiff Rakowsky's Claim to Interpleader Funds, January 30, 2014	107-128
Defendant Motion for Sanctions with Exhibits, December 20, 2011	129-226
Email from Court, February 27, 2014	227-230
Affidavit from Mara Ballard May 28, 2014	231-372
Motion to Compel, July 29, 2014	373-452
Rakowsky & Falgione Engagement Contracts	453-465
Supplemental Order, September 9, 2014	466-467
Form 4 Order A. Bores, September 10, 2014	468-470

Defendant's Response to Second Amended Complaint, January 18, 2011 471-478

Complaint Against Interplead Funds, Dec 11, 2013 479-493

Motion for Equitable Indemnification, July 24, 2014 494-508

Affidavit of John Rakowsky, May 16, 2014 509-529

Email from Judge Early, September 12, 2014 530

Email from Judge Early, October 4, 2014 531-532

Email to A. Bores, October 21, 2014 533-534

Letter from Desa Ballard to Judge Early, October 23, 2014 535-536

Email Michael Sribnick to Judge Early, October 24, 2014 537-538

Desa Ballard's Check to James Spencer into Escrow Account 539

Transcripts

Transcript: August 20, 2014 Hearing 540-567

Transcript: May 7, 2014 Hearing 568-638

EXHIBIT "A" – DECLARATION

1. I, John Rakowsky hereby declare and state as follows:

2. I am an attorney licensed to practice before the courts of the State of South Carolina.

3. I am the attorney of record for James Spencer, et. al., the plaintiff (the "Plaintiff") in that certain Lawsuit more fully described James Spencer, et. al. v. Horry County, et. al., bearing Case No. 402185927, which is pending in the United States District Court, District of South Carolina, Florence Division (the "Lawsuit").

4. I have considered, and sought out other potential funding options and consider the Advance set forth herein to be reasonable under the circumstances.

5. I fully understand the terms under which the Advance is being provided, all as set forth in the Contingent Advance And Security Agreement (the "Agreement"), and I agree to abide by and comply with the terms of this Agreement.

6. The Plaintiff understands the terms under which the Advance is being provided, all as set forth in the Agreement

7. The Plaintiff has expressly consented to this contractual arrangement, has consented to the lien being granted LFC 104, LLC herein against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to pursuit of the Claims. This lien shall also encumber the proceeds of the foregoing. The Plaintiff's consent appears in the duly executed *Client Consent Form* attached hereto.

8. I understand that your company will advance monies to me/my firm to use as I see fit to pay the costs associated with the pursuit of the Claims. I also understand that this transaction is not a loan, but an investment that involves substantial risk and repayment is not guaranteed.

I declare under penalty of perjury under the laws of the State of Nevada and the United States that the foregoing is true and correct.

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: 6/20/05

Attorney _____ (Initial)

EXHIBIT "A" – DECLARATION

1. I, John Rakowsky hereby declare and state as follows:

2. I am an attorney licensed to practice before the courts of the State of South Carolina.

3. I am the attorney of record for James Spencer, et. al., the plaintiff (the "Plaintiff") in that certain Lawsuit more fully described James Spencer, et. al. v. Horry County, et. al., bearing Case No. 4021859?7, which is pending in the United States District Court, District of South Carolina, Florence Division (the "Lawsuit").

4. I have considered, and sought out other potential funding options and consider the Advance set forth herein to be reasonable under the circumstances.

5. I fully understand the terms under which the Advance is being provided, all as set forth in the Contingent Advance And Security Agreement (the "Agreement"), and I agree to abide by and comply with the terms of this Agreement.

6. The Plaintiff understands the terms under which the Advance is being provided, all as set forth in the Agreement.

7. The Plaintiff has expressly consented to this contractual arrangement, has consented to the lien being granted LFC 101, LLC herein against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to pursuit of the Claims. This lien shall also encumber the proceeds of the foregoing. The Plaintiff's consent appears in the duly executed *Client Consent Form* attached hereto.

8. I understand that your company will advance monies to me/my firm to use as I see fit to pay the costs associated with the pursuit of the Claims. I also understand that this transaction is not a loan, but an investment that involves substantial risk and repayment is not guaranteed.

I declare under penalty of perjury under the laws of the State of Nevada and the United States that the foregoing is true and correct.

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: _____

Paul Scott Esq for
Re Corporate Law Center
6/17/05

Attorney _____ (Initial)

Page 5 of 6

CLIENT CONSENT FORM

I, James Spencer, hereby declare and state that I have reviewed the attached Contingent Advance And Security Agreement (the "Agreement"), or my Attorney has reviewed this agreement and I am prepared to rely upon his review and advice. I hereby authorize my Attorney to enter into this agreement, and I authorize Attorney to grant LFC 104, LLC a first priority lien against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to me, or to my successors-in-interest, relating to the pursuit of the Claims. I further agree that Attorney is authorized to assign any attorneys lien that he holds against the Claim to LFC 104, LLC as security for Attorney's obligations under the Agreement.

By: James Spencer

Name: James Spencer

Date: 06-20-05

CONTINGENT ADVANCE AND SECURITY AGREEMENT
(NR)

LFC 104, LLC, a Nevada Corporation, and the **LAW OFFICE OF JOHN RAKOWSKY and John Rakowski** ("Attorney") hereby enter into this Contingent Advance And Security Agreement on this 21st day of June 2005, for good and valuable consideration.

Section One: Definitions

1.1 Advance. As used herein the term "Advance" means the sum of two thousand five hundred dollars ($2,500.00) advanced to Attorney pursuant to this Agreement, less any fees or commissions payable from this sum with the consent of Attorney.

1.2 Agreement. As used herein the term "Agreement" refers to this Contingent Advance And Security Agreement, together with the attached Declaration of Attorney and Client Consent Form.

1.3 Claims. As used herein the term "Claims" refers to any and all causes of action, claims for relief, recovery rights, or rights to payment of any kind stated by the Plaintiff in the Lawsuit, incorporated into the Lawsuit by later amendment, or included in any other lawsuit seeking relief on the same Claims, whether filed by the Plaintiff, or by any assignee, or successor-in-interest to the Plaintiff.

1.4 Fee. As used herein the term "Fee" refers to the applicable amount indicated in the table below:

Payment Time Frame	Fee Amount
A. If the Advance is paid in full on or before July 21, 2005	$375.00
B. If the Advance is paid in full after July 21, 2005 but before August 21, 2005	$750.00
C. If the Advance is paid in full after August 21, 2005 but before September 21, 2005	$1,125.00
D. If the Advance is paid in full after September 21, 2005 but before October 21, 2005	$1,500.00
E. If the Advance is paid in full after October 21, 2005 but before November 21, 2005	$1,875.00
F. If the Advance is paid in full any time after November 21, 2005 it will continue to increase at the rate of 15% per month.	15% per month

1.5 Lawsuit. As used herein the term "Lawsuit" refers to the action entitled James Spencer, et al. v. Horry County, et. al., bearing Case No. 4:02-155923 which is pending in the United States District Court, District of South Carolina, Florence Division, inclusive of any future amended, or later filed or re-filed versions of the same.

1.6 Plaintiff. As used herein the term "Plaintiff" refers to James Spencer, et. al.

1.7 Recovery. As used herein the term "Recovery" refers to any payments, or other consideration of any kind, paid to, or for the benefit of, the Plaintiff or Attorney, on account of the Claims, whether obtained through the Lawsuit, or through any later action or proceeding where the

judgment, settlement, or other relief is obtained on account of the Claims, whether by Plaintiff, or any assignee or other holder of the Claims.

1.8 Attorney Recovery. As used herein the term "Attorney Recovery" is **forty percent (40%)** of the Recovery, whether or not these funds are actually paid to the Attorney for services rendered to Plaintiff.

Section Two: Amount And Terms of Advance

2.1 LFC 104, LLC agrees to make an Advance to Attorney in the amount of **two thousand five hundred dollars ($2,500.00)** to fund the costs associated with the pursuit of a Recovery on account of the Claims, subject to the terms and conditions provided for herein. Once LFC 104, LLC has tendered the Advance in good funds, and Attorney has accepted the same, then LFC 104, LLC's obligations under this contract are fully performed.

2.2 Within three (3) business days of the Attorney's receipt of Recovery, Attorney shall pay to LFC 104, LLC a sum equal to the lesser of the following two amounts (the "Payment Obligation"):

A. The Advance plus the accrued Fee; or

B. An amount equal to the Attorney Recovery.

If for any reason no Recovery is generated on the Claims, then Attorney shall have no further liability hereunder except as otherwise provided herein.

2.3 ATTORNEY ACKNOWLEDGES AND AGREES THAT THE TERM "ATTORNEY RECOVERY" AS DEFINED HEREIN IS **FORTY PERCENT** (40%) OF THE RECOVERY ON THE CLAIMS, *WHETHER OR NOT THIS SUM IS ACTUALLY PAID TO ATTORNEY BY PLAINTIFF. STATED OTHERWISE* ATTORNEY RECOGNIZES AND ACKNOWLEDGES THAT ALTHOUGH THE PAYMENT OBLIGATION IS CONTINGENT UPON THE AMOUNT OF THE RECOVERY, IT IS NOT CONTINGENT UPON WHETHER OR NOT ATTORNEY ACTUALLY OBTAINS PAYMENT FROM THE PLAINTIFF FOR HIS FEES AND COSTS. IF A RECOVERY IS OBTAINED ON THE CLAIMS, THEN THE PAYMENT OBLIGATION (the lesser of the Advance plus the accrued Fee, or an amount equal to the Attorney Recovery) MUST BE PAID BY ATTORNEY, NOTWITHSTANDING ANY PAYMENT PROBLEMS THAT ATTORNEY MAY EXPERIENCE WITH PLAINTIFF.

2.4 Attorney and Plaintiff agrees to notify LFC 104, LLC within one (1) day of the payment of any Recovery, and to hold any Recovery in a separate state bar mandated interest bearing trust account for LFC, 104, LLC until the Payment Obligation is paid in full.

Section Three: Lien Rights

3.1 Attorney hereby grants LFC 104, LLC a first priority lien against any and all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to the pursuit of the Claims. The lien shall also encumber the proceeds of the foregoing. The foregoing lien shall secure all obligations hereunder, including but not limited to the Payment Obligation. LFC 104, LLC is hereby authorized to file a UCC-1 with the applicable Secretary of State, or to take any other action reasonably necessary to duly perfect this lien.

3.2 Attorney agrees that any lien in favor of Attorney against the Recovery for fees and costs is assigned to LFC 104, LLC as additional collateral.

Section Four: Representations And Warranties

4.1 Attorney represents and warrants that Attorney has investigated other funding alternatives, and has independently determined that the Fee being charged for the Advance is reasonable.

4.2 Attorney represents and warrants that to the best of Attorney's knowledge, in the exercise of reasonable prudence, Plaintiff possesses full, complete and unencumbered rights to the Recovery, and intends to retain such rights during the terms of this Agreement.

4.3 Attorney represents and warrants that Attorney has accurately represented the status of the Lawsuit and further represents that neither the Plaintiff, nor any of the defendants, are currently in bankruptcy, receivership or liquidation.

4.4 Attorney represents and warrants that Attorney fully understands that the Advance made hereunder is not a recourse loan, but a non-recourse financial transaction pursuant to which the funds are materially at risk.

Section Five: Withdrawal/Rescission

5.1 If Attorney is replaced as counsel for Plaintiff in the Lawsuit, for any reason, Attorney must immediately notify LFC 104, LLC of said substitution.

5.2 In the event Attorney is replaced as counsel by Plaintiff, LFC 104, LLC shall have the unilateral right to rescind this Agreement. If LFC 104, LLC chooses rescission, then Attorney shall immediately pay to LFC 104, LLC the amount of the Advance plus ten percent (10%) interest thereon from the date of the Advance. Alternatively, LFC 104, LLC can retain its rights hereunder, including its lien rights.

5.3 If LFC 104, LLC discovers that any of the material information provided by Attorney regarding the Claims or the Lawsuit is not truthful, honest or complete, or that any of the Claims in the Lawsuit are illegal or asserted in bad faith, LFC 104, LLC shall have the right to rescind this Agreement. If LFC 104, LLC chooses rescission on this basis, then Attorney shall immediately pay to LFC 104, LLC the amount of the Advance, plus the Fee.

Section Six: Miscellaneous

6.1 This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and any modifications thereto must be in writing and signed by both parties.

6.2 Attorney has read, understands, and agrees to all of the terms, promises, authorizations and instructions set forth herein and understands, and agrees to all of the terms, promises, authorizations and instructions set forth in this Agreement.

6.3 By executing the Agreement, Attorney acknowledges receipt of the Advance, and LFC 104, LLC's consequent full performance of its obligations hereunder.

6.4 This agreement shall inure to the benefit of and be binding upon and enforceable against the parties hereto and their successors and assigns.

6.5 Each of the parties hereto agrees to execute and deliver, or cause to be executed and delivered, all such instruments, and to take all such actions as the other party may reasonably request which are reasonably necessary to effectuate the intent and purposes of this Agreement, all at the sole expense of the requesting party.

6.6 In the event that LFC 104, LLC is required to take any legal action to interpret or to enforce the terms of this Agreement, then LFC 104, LLC shall be entitled to recover the full amount of any attorneys fees and costs incurred, whether or not a legal action is commenced.

6.7 The parties to this Agreement, and each of them, hereby represent and warrant that they have the full authority to execute this Agreement and to fully bind the respective parties to each and all of the terms and conditions set forth herein.

6.8 This Agreement constitutes a single, integrated written contract, expresses the entire agreement of the parties with respect to the subject matter of this agreement, and supersedes all negotiations, prior discussions, and preliminary agreements.

6.9 This Agreement was jointly prepared through negotiations of the parties, and the provisions of the agreement are not to be strictly or liberally construed for or as against any of the parties.

6.10 The parties agree that this agreement shall be interpreted and construed under the laws of the State of Nevada. All parties agree that in the event any dispute arises over the interpretation or enforcement of this Agreement, jurisdiction over the matter and the parties shall only be appropriate in Clark County, Nevada, unless LFC 104, LLC consents in writing to have such dispute heard in another jurisdiction.

6.11 This Agreement may be executed in counterparts and each counterpart shall be effective as an original.

LFC 104, LLC
a Nevada corporation

By: Morton Reed

Name: Morton Reed

Title: Chief Executive Officer

Date: 6/21/05

LAW OFFICE OF JOHN RAKOWSKY

By: John Rakowsky

Name: John Rakowsky

Date: 6/20/05

Attorney JR
(Initial)

6.6 In the event that LFC 101, LLC is required to take any legal action to interpret or to enforce the terms of this Agreement, then LFC 101, LLC shall be entitled to recover the full amount of any attorneys fees and costs incurred, whether or not a legal action is commenced.

6.7 The parties to this Agreement, and each of them, hereby represent and warrant that they have the full authority to execute this Agreement and to fully bind the respective parties to each and all of the terms and conditions set forth herein.

6.8 This Agreement constitutes a single, integrated written contract, expresses the entire agreement of the parties with respect to the subject matter of this agreement, and supersedes all negotiations, prior discussions, and preliminary agreements.

6.9 This Agreement was jointly prepared through negotiations of the parties, and the provisions of the agreement are not to be strictly or liberally construed for or as against any of the parties.

6.10 The parties agree that this agreement shall be interpreted and construed under the laws of the State of Nevada. The parties agree that in the event any dispute arises over the interpretation or enforcement of this Agreement, jurisdiction over the matter and the parties shall only be appropriate in Clark County, Nevada, unless LFC 101, LLC consents in writing to have such dispute heard in another jurisdiction.

6.11 This Agreement may be executed in counterparts and each counterpart shall be effective as an original.

LFC 101, LLC
a Nevada corporation

By: Morton Reed

Name: Morton Reed

Title: Chief Executive Officer

Date: 6/21/05

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: _____

Attorney _____
(Initial)

Ron Smith Attorney
for Corporate Law Center
6/17/05

EXHIBIT "A" – DECLARATION

1. I, **John Rakowsky** hereby declare and state as follows:

2. I am an attorney licensed to practice before the courts of the State of **South Carolina**.

3. I am the attorney of record for **James Spencer, et. al.**, the plaintiff (the "**Plaintiff**") in that certain Lawsuit more fully described **James Spencer, et. al. v. Horry County, et. al.**, bearing Case No. **402185927**, which is pending in the **United States District Court, District of South Carolina, Florence Division** (the "Lawsuit").

4. I have considered, and sought out other potential funding options and consider the Advance set forth herein to be reasonable under the circumstances.

5. I fully understand the terms under which the Advance is being provided, all as set forth in the Contingent Advance And Security Agreement (the "Agreement"), and I agree to abide by and comply with the terms of this Agreement.

6. The Plaintiff understands the terms under which the Advance is being provided, all as set forth in the Agreement

7. The Plaintiff has expressly consented to this contractual arrangement, has consented to the lien being granted LFC 101, LLC herein against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to pursuit of the Claims. This lien shall also encumber the proceeds of the foregoing. The Plaintiff's consent appears in the duly executed *Client Consent Form* attached hereto.

8. I understand that your company will advance monies to me/my firm to use as I see fit to pay the costs associated with the pursuit of the Claims. I also understand that this transaction is not a loan, but an investment that involves substantial risk and repayment is not guaranteed.

I declare under penalty of perjury under the laws of the State of **Nevada** and the United States that the foregoing is true and correct.

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: 6/20/05

Attorney _____ (Initial)

EXHIBIT "A" - DECLARATION

1. I, John Rakowsky hereby declare and state as follows:

2. I am an attorney licensed to practice before the courts of the State of South Carolina.

3. I am the attorney of record for James Spencer, et. al., the plaintiff (the "Plaintiff") in that certain Lawsuit more fully described James Spencer, et. al. v. Horry County, et. al., bearing Case No. 4021S5927, which is pending in the United States District Court, District of South Carolina, Florence Division (the "Lawsuit").

4. I have considered, and sought out other potential funding options and consider the Advance set forth herein to be reasonable under the circumstances.

5. I fully understand the terms under which the Advance is being provided, all as set forth in the Contingent Advance And Security Agreement (the "Agreement"), and I agree to abide by and comply with the terms of this Agreement.

6. The Plaintiff understands the terms under which the Advance is being provided, all as set forth in the Agreement

7. The Plaintiff has expressly consented to this contractual arrangement, has consented to the lien being granted LFC 101, LLC herein against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to Plaintiff, or any successor-in-interest to Plaintiff, relating to pursuit of the Claims. This lien shall also encumber the proceeds of the foregoing. The Plaintiff's consent appears in the duly executed *Client Consent Form* attached hereto.

8. I understand that your company will advance monies to me/my firm to use as I see fit to pay the costs associated with the pursuit of the Claims. I also understand that this transaction is not a loan, but an investment that involves substantial risk and repayment is not guaranteed.

I declare under penalty of perjury under the laws of the State of Nevada and the United States that the foregoing is true and correct.

LAW OFFICE OF JOHN RAKOWSKY

By: _____

Name: John Rakowsky

Date: _____

Rak Sheets Esq for Re Corporate Law Center 6/17/05 Page 5 of 5

Attorney _____ (Initial)

CLIENT CONSENT FORM

I, James Spencer, hereby declare and state that I have reviewed the attached Contingent Advance And Security Agreement (the "Agreement"), or my Attorney has reviewed this agreement and I am prepared to rely upon his review and advice. I hereby authorize my Attorney to enter into this agreement, and I authorize Attorney to grant LFC 101, LLC a first priority lien against all receivables, contract rights, or payment rights of any kind, now in existence or hereafter arising in favor of Attorney, for legal services provided to me, or to my successors-in-interest, relating to the pursuit of the Claims. I further agree that Attorney is authorized to assign any attorneys lien that he holds against the Claim to LFC 101, LLC as security for Attorney's obligations under the Agreement.

By: James Spencer

Name: James Spencer

Date: 06-20-05

June 16, 2005

To: Lit Funding

From: Brian Spencer
PMB 183 7001 Saint Andrews Rd.
Columbia, SC 29212
Phone; 803.348.3330, 843.421.2100, 803.781.4580
Fax; 702.736.8621

To Whom It Does Concern;

As the recipient of Presettlement Funding I want to thank you for providing $50,000.00 as an investment in the success of my case.

Prior to my case being presented for funding I agreed to pay 1st Choice Funding 20% of any funding amount I received as payment for the service they provide in securing funding. I am attaching the contractual agreement which outlines the conditions of my agreement. I understand Lit Funding provides as direct compensation 5% of the amount funded to 1st Choice which leaves me with the remaining 15% to be deducted out of my proceeds. I am requesting a balance of $7,500.00 be deducted as payment in full for the service provided and sent direct to 1st Choice Funding and send to my attorney the remaining balance of $42,500.00.

Cordially,

Brian Spenser

a/k/a James Spenser
a/k/a James Spencer
a/k/a Brian Holt

John R. Ralowicz
Attorney at Law

LITFUNDING USA
3700 PECOS MCLEOD, SUITE 100
LAS VEGAS, NV 89121
T: (702) 317-1610 · F:(702) 317-1611

June 20, 2005

John Rakowsky, Esq.
Law Office of John Rakowsky
900 12th Street
Cayce, South Carolina 29033

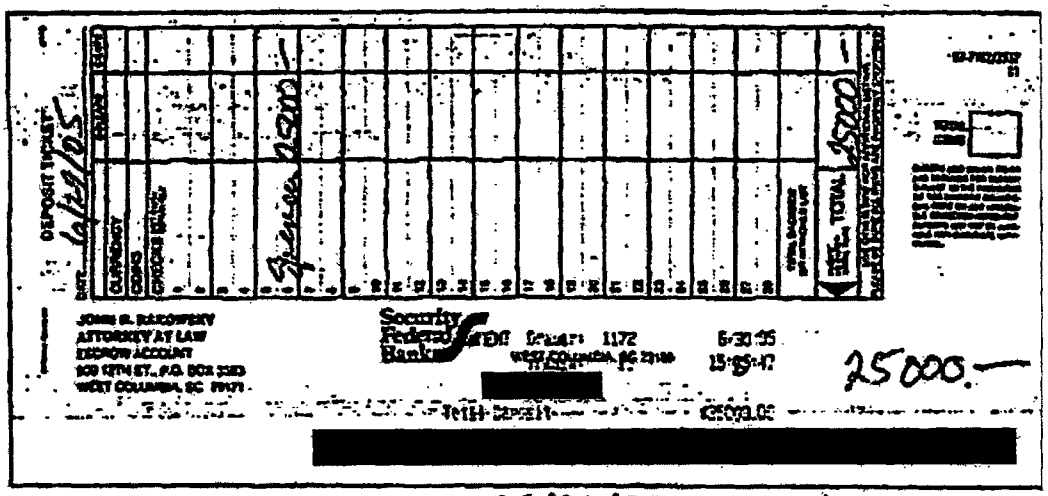
RE: ***James Spencer, et. al. v. Horry County, et. al.***

Dear Mr. Rakowsky:

Pursuant to the two Contingent Advance and Security Agreements dated June 21, 2005 for the above referenced case, enclosed are two checks totaling forty two thousand five hundred dollars ($42,500.00). If I can be of further assistance, please do not hesitate to give me a call.

Sincerely,

Vera Stein
Director of Client Oversight and Risk Management
LitFunding USA



Date 06/30/05 Amt $25,000.00

SCHEDULE C

Litigation Description

A brief description of the Litigation follows:

- After years of delays by the defendants, the case pending in SC Federal District Court is locked in to be heard this July 19, 2005.
- There are five Plaintiff attorneys on a contingency basis on the case.
- The medical costs due to traumatic injuries to dates are in excess of $120,000, and there are have increasing lifetime health complications from the personal injuries.
- I lost a valuable long-term employment contact valued in excess of $300,000 annually due to the malicious actions of the defendants. ***Please note the attached economic expert's report concerning damages and links below to the experts' credentials.***
- The defendants have deep pockets and are able to pay the damages. The case involves individuals being paid off to forge a Judges signature on arrest papers in addition to the pay off of individuals to make entries on the NCIC system for what has been determined by two individual Judges in two State Courts to be unfounded, contrived and baseless charges. The two hearings that lasted a combined total of less then fifteen minutes.
- The defendants were captured on videotape torturing me after a Fifteenth Circuit Court Judge had issued an Order a month concerning the baseless charges. The perpetrators knew about and deliberately ignored the Judge's Order as validated by conclusive police audiotape evidence. Please note ***attached overview to this e-mail concerning the case.***

In summation, please remember we have two judges who made decisions in our favor including a decision that there was no probable cause to stop and arrest me for any reason on August 6, 2000. There is not even a dispute over the forged Judges signature that initiated the phony warrant and the impossibility of the charges that has been acknowledged by the defendants.

Therefore, the case is going to center on damages and the defendants missed the deadline for naming experts. The defendants will have no experts for trial based on their inaction while we have been able to secure a team of the most creditable experts available with both outstanding credentials and reputations for honesty.

SCHEDULE D

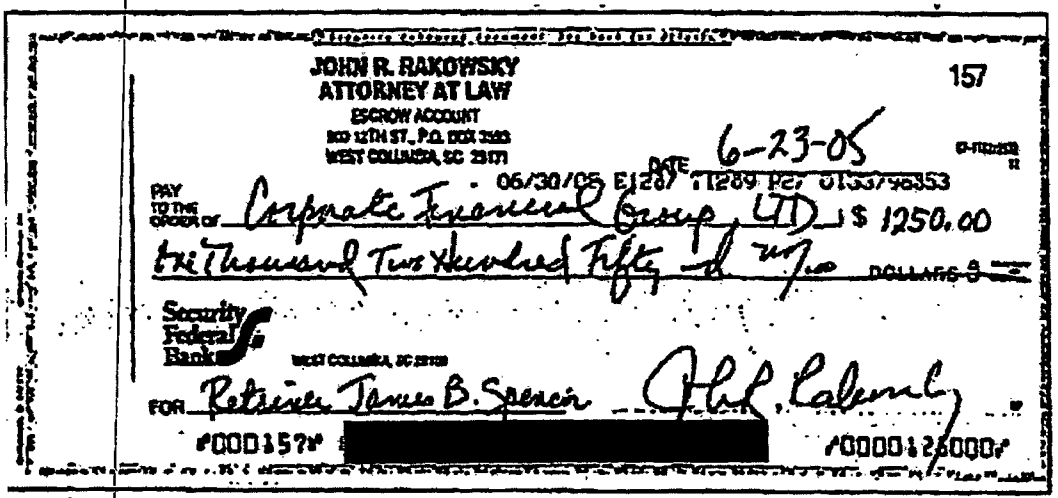
Transferor's Information

Name:	J. B. Spencer PMB 183 7001 Saint Andrews Rd. Columbia, SC 29212
Telephone Number:	(803) 348-3330
Date of Birth:	11-15-, 1950
Place of Birth:	White Plains, NY
Mother's Maiden Name:	Doris Coleman
Social Security Number:	207-58-4489
Drivers License Number:	1602218057, State: NV

SCHEDULE E

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., P.O. BOX 2555
WEST COLUMBIA, SC 29171

157

DATE 6-23-05

06/30/05 E1287 T1289 P2/ 01337/96353

PAY TO THE ORDER OF Corporate Financial Group, LTD $ 1250.00

One Thousand Two Hundred Fifty and no/100 DOLLARS

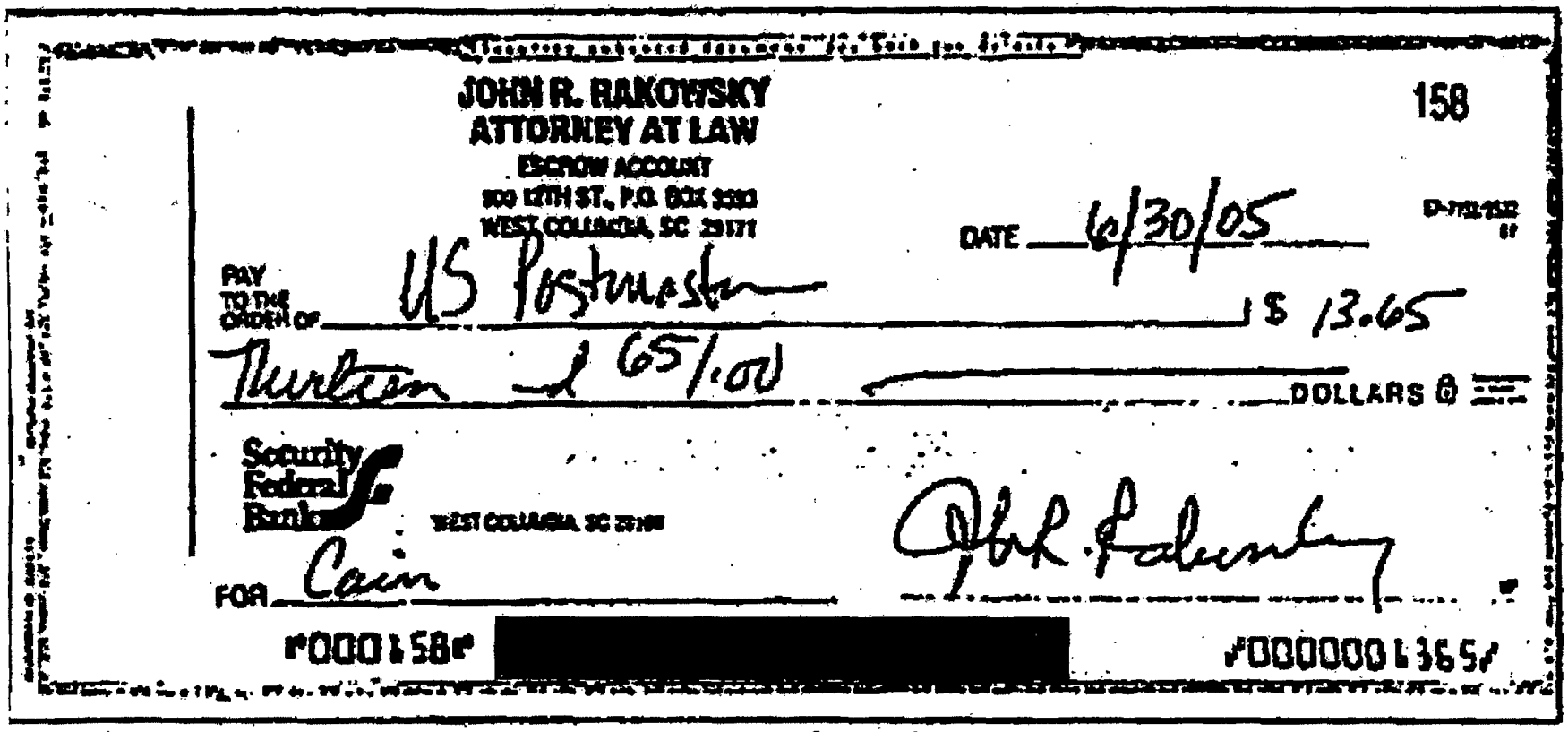
Security Federal Bank WEST COLUMBIA, SC 29169

FOR Retainer James B. Spencer

J. R. Rakowsky

⑈000157⑈ [redacted] ⑈000125000⑈

Ck# 157 Date 06/30/05 Amt $1,250.00



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., P.O. BOX 2203
WEST COLUMBIA, SC 29171

158

DATE 6/30/05

PAY TO THE ORDER OF US Postmaster $ 13.65

Thirteen 65/100 DOLLARS

Security Federal Bank WEST COLUMBIA, SC 29169

FOR Cain

⑈000158⑈ [redacted] ⑈000001365⑈

Chk# 158 Date 07/07/05 Amt $13.65

MTB0043

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC 29171

159

DATE 6/30/05

PAY TO THE ORDER OF Forensic Tape Analysis Inc $ 11,000.00

Eleven Thousand and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR Esc Acct / Spencer v. Horry County [redacted]

⑈000159⑈ [redacted] ⑈000100000⑈

Ck# 159 Date 07/07/05 Amt $11,000.00

CRTB0044



Forensic Tape Analysis, Inc.

Steve Cain MFS
President/C.E.O.
Forensic Scientist

6242 Jones Rd
C/O Steve Cain
Burlington WI 53105

Michael R Chial, PhD
University of Wisconsin
Board of Directors

LETTER OF AGREEMENT

_____, 2005

Dear Counselor:

Thank your for choosing Forensic Tape Analysis, Inc. ("FTA") as your expert and consultant. FTA is confident you will find our work and professionalism amongst the best available.

You have requested that FTA perform the following tasks: _____

_____. The terms and conditions upon which we have agreed to perform these tasks is set forth in this Letter Agreement ("Agreement").

Due to the high quality of our work product, our services are in considerable demand. Furthermore, the nature of our business frequently requires that we handle matters on an expedited and time intensive basis. For these reasons, FTA requires that you pay an initial, non-refundable, retainer ("Retainer") in the amount of_____ dollars ($_____.00) in order to engage our services to perform the tasks described above.

The high demand for our work product also dictates that we not undertake any work until the initial Retainer is paid, and you have returned a signed copy of this Agreement to us. If you pay the Retainer with certified funds or bank wire transfer, we can begin work immediately. In all other instances, we will need to wait five (5) business days before proceeding.

Our minimum hourly rate(s) and minimum charges for most services are set forth in the Fee Schedule which is attached hereto and incorporated herein by reference as Exhibit A. Reimbursable expenses, include, but are not limited to, airfare, fees for lodging, car rental fees and/or travel expense, copying charges, and expenses associated with obtaining records.

On occasion, the services of other experts are required for us to complete our work. By signing this Agreement, you agree to retain any experts whose assistance we deem necessary, in the exercise of our professional judgment and to pay the fees and expenses due any such expert. This will be discussed prior to our hiring any other needed expert(s). You also agree to indemnify FTA and hold FTA harmless against any claim made by such expert(s) for payment for the performance of their work.

While the Retainer is our best estimate as to the cost to perform the services requested above, it is only an estimate. FTA reserves the right to request an additional Retainer(s). FTA reserves the right to request another Retainer, all work performed thereafter will be billed at the minimum hourly rate applicable to the work performed as set for the in the Fee Schedule, plus expenses.

We will provide you with periodic invoices which will reflect a credit for any Retainer(s) paid. All invoices are due and payable no later than thirty (30) says form the invoice date. In entering into this Agreement, you understand and agree that FTA is entitled to cease work, and that FTA is not obligated to release examination results until all sums outstanding have been paid in full.

Most of FTA's engagements involve an initial analysis, followed by a request for additional services. This usually entails further investigation, analysis, and/or testimony. The terms and conditions of this Agreement apply to any additional services requested. An additional Retainer will likely be required to engage our services for any additional work.

Upon receipt of a request form you for additional work, we will forward an Addendum to this Agreement to you. The Addendum will include a description of the additional services which you are requesting, and a statement as to the additional Retainer, if any, which will be required. Upon receipt of the signed addendum and monies for the additional Retainer, FTA will perform the requested additional services. By execution of this Agreement, you agree that FTA shall have no obligation to perform any services not specifically described herein, unless and until FTA has received the signed Addendum and additional Retainer, if any.

Additional Retainers shall be non-refundable. Notwithstanding this provision, with regard only to additional Retainers paid for anticipated trial testimony, a portion of the additional Retainer may be reimbursed, as follows: If a trial is cancelled or rescheduled and FTA is notified at least seventy-two (72) hours prior to the previously scheduled trial date, a charge equal to the agreed-upon hourly rate multiplied by the hours of time spent in work in trial preparation, plus expenses, will be retained by FTA, and the balance of the Retainer will be refunded to the party who made the payment or credited toward an additional trial Retainer.

FTA is working for you as your expert and consultant. The obligations which you undertake by signing this Agreement are the joint and several obligations of your firm and the client or principal you may represent. Either is authorized to request work under thus Agreement binding the other to the payment obligations provided for in this Agreement. If you are uncomfortable with this arrangement, please advice us immediately, and we will consider signing an agreement strictly with your client or principal; provided, however, that a larger Retainer may be required. The signing of this Agreement indicates you agree and are bound by the Agreement.

Any dispute which arises under this Agreement shall be resolved by binding arbitration in accordance with the Commercial Rules of the American Arbitration

Association. All arbitration proceedings will be held in Walworth County, Wisconsin. The award of the arbitrator(s) shall be final and binding upon the parties, and may be entered as a judgment in any state or federal court. The cost of arbitration and suit, including, but not limited to, reasonable attorney fees, shall be interpreted under the laws of the Stat of Wisconsin.

FTA's work is done in accordance with applicable professional standards, but is only as good as information we are given by you, or which we can obtain from other sources. It is imperative that you disclose to us all information or sources which may be relevant to our work, and that you do so in a timely fashion. If you have any doubt regarding the importance of a document or certain information, call us. In order to maintain our high professional standards and reputation, we base our conclusions and opinions solely upon the information and documentation provided to us, and not on any desired or expected result.

Some of our clients are represented by public defender programs, and are therefore subject to fee and expense restrictions imposed by federal or state law. In certain cases, we will serve you at the restructured rates, but only pursuant to a separate written agreement and the following conditions: (1) You must disclose any such restriction to us in writing, in advance; (2) You must provide us with a signed Fee Schedule, along with a signed form from the judge or the public defender authorizing payment; and (3) CJA reimbursement vouchers must be submitted as soon as possible. If approved CJA vouchers are not paid in full within sixty (60) days, the client/law firm is personally responsible for full reimbursement to FTA. Absent a separate written agreement, and your diligent and timely application for approval, the rates for FTA's services are those contained in this Agreement.

This Agreement is binding upon and inures to the benefit of the signatories hereto, their successors and assigns. This Agreement may not be amended except by written agreement signed by both parties hereto.

Thank you for this assignment and FTA looks forward to assisting you.

Sincerely,

FORENSIC TAPE ANALYSIS, INC.

Steve Cain, President

I hereby represent that I have authority to enter into this letter Agreement, which includes the Fee Schedule attached to this Agreement as Exhibit A, and the initial invoice, as well as subsequent invoices, on behalf of my firm. I acknowledge this letter agreement constitutes a binding contract with FTA.

Approved and Accepted by: Signature:_____

Title/Capacity:_____

Company:_____

Address:_____

Phone:_____Fax_____

I hereby represent that I have authority to enter into this letter agreement, which includes the Fee Schedule attached to this Agreement as Exhibit A, and the initial invoice, as well as subsequent invoices. I acknowledge this Agreement constitutes a binding contract with FTA.

Client Signature:_____

Address:_____

Phone:_____Fax_____

FEE SCHEDULE-EXHIBIT A

RETAINER REQUIRED

Audio Testing

Authentication (Original)	$3,000-4,000/per tape*
Authentication Copy of Tape	$2,000/per tape*
Voice Identification (verbatim vs. random)	$2,000-3,000/ per conversation
Audiotape Enhancement	$1,000/per side
Recorder Testing	$1,500-2,500
CD ROM Testing	$1,500 per CD

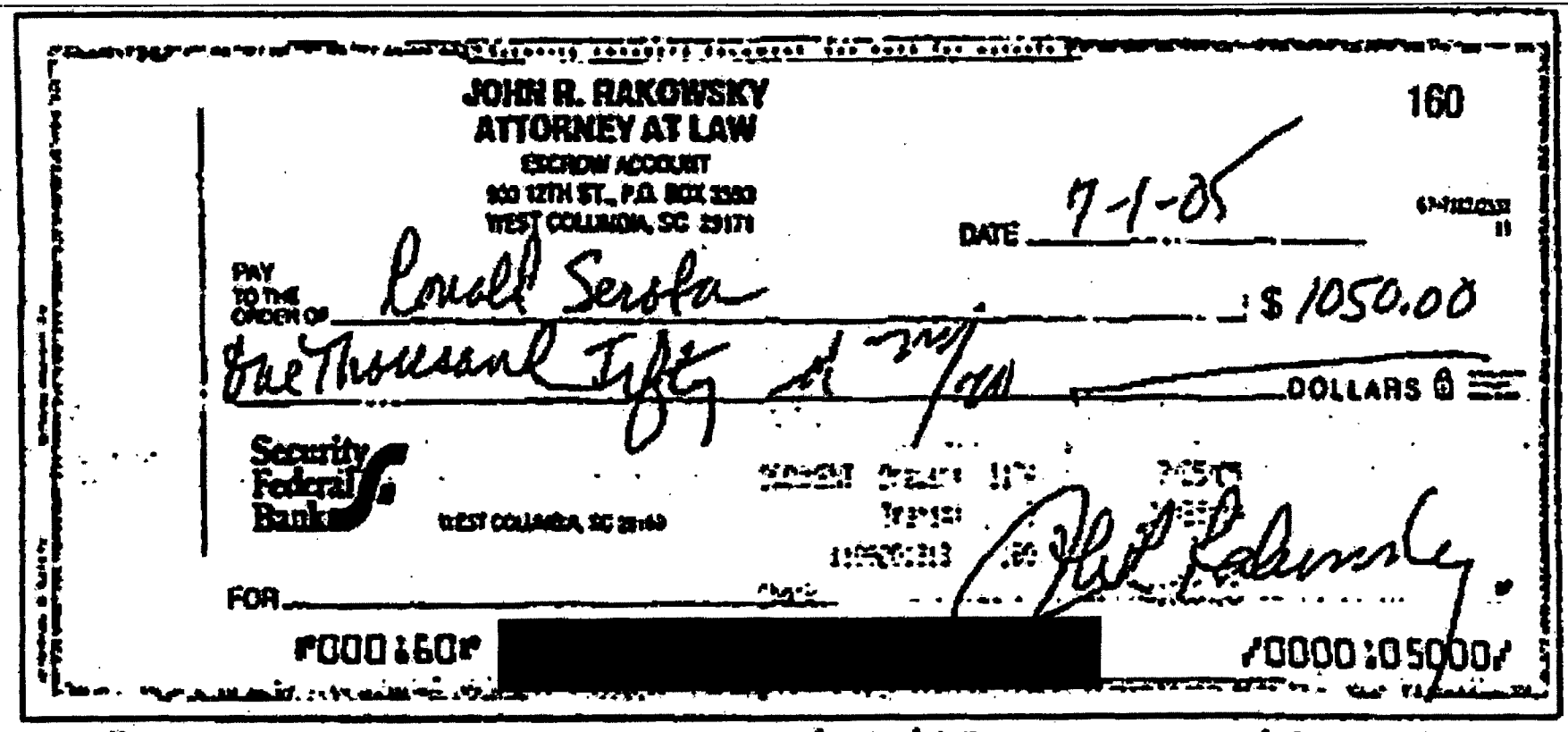
*Additional fees required if specialized examination procedures are required for case completion, including half speed or double sided recordings.

Video Testing

(The retainers listed below are based on a standard 2 hour VHS tape)

Authentication (Original Videotape)	$4,000-5,000/per tape*
Authentication (Videotape Copy)	$2,500/per tape*
Audio Authentication/Enhancement	$2,000/per tape
Authentication (Time-Lapse, 2 Hour) (copy v original)	$3,000-$5,000/per tape*
Recorder	$1,500-2,500

Note: For videotape recorded in extended play (EP) or 6 hour mode, fees are billed at double time. For time lapse video surveillance recordings, the above fees



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 3360
WEST COLUMBIA, SC 29171

160

DATE 7-1-05

PAY TO THE ORDER OF Lovell Serota $ 1050.00

One Thousand Fifty and 00/100 DOLLARS

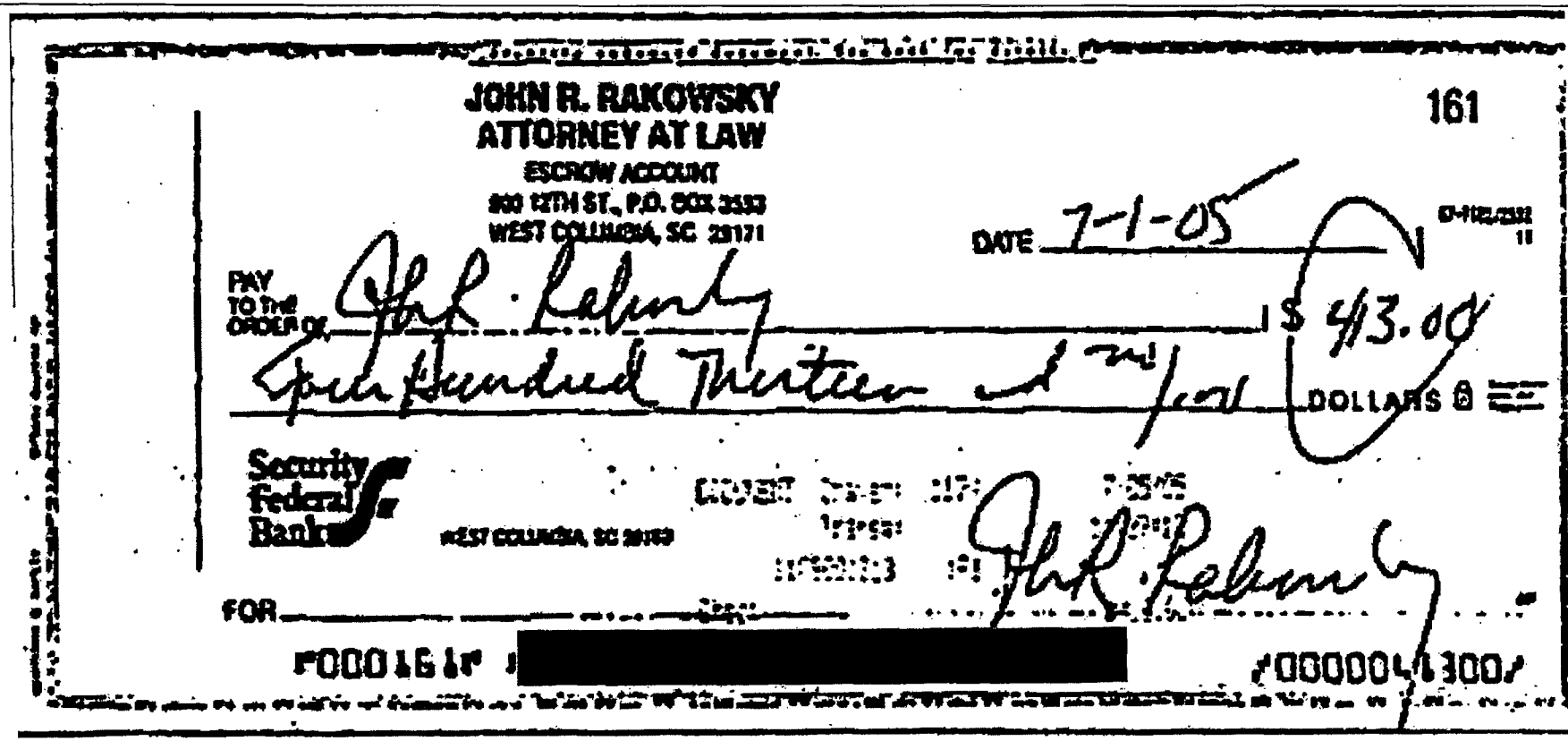
Security Federal Bank
WEST COLUMBIA, SC 29169

FOR

⑈000160⑈ [redacted] ⑆0000:05000⑈

Ck# 160 Date 07/05/05 Amt $1,050.00

CMTB0050



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., P.O. BOX 3553
WEST COLUMBIA, SC 29171

161

DATE 7-1-05

PAY TO THE ORDER OF John R. Rakowsky $ 413.00

Four Hundred Thirteen and 00/100 DOLLARS

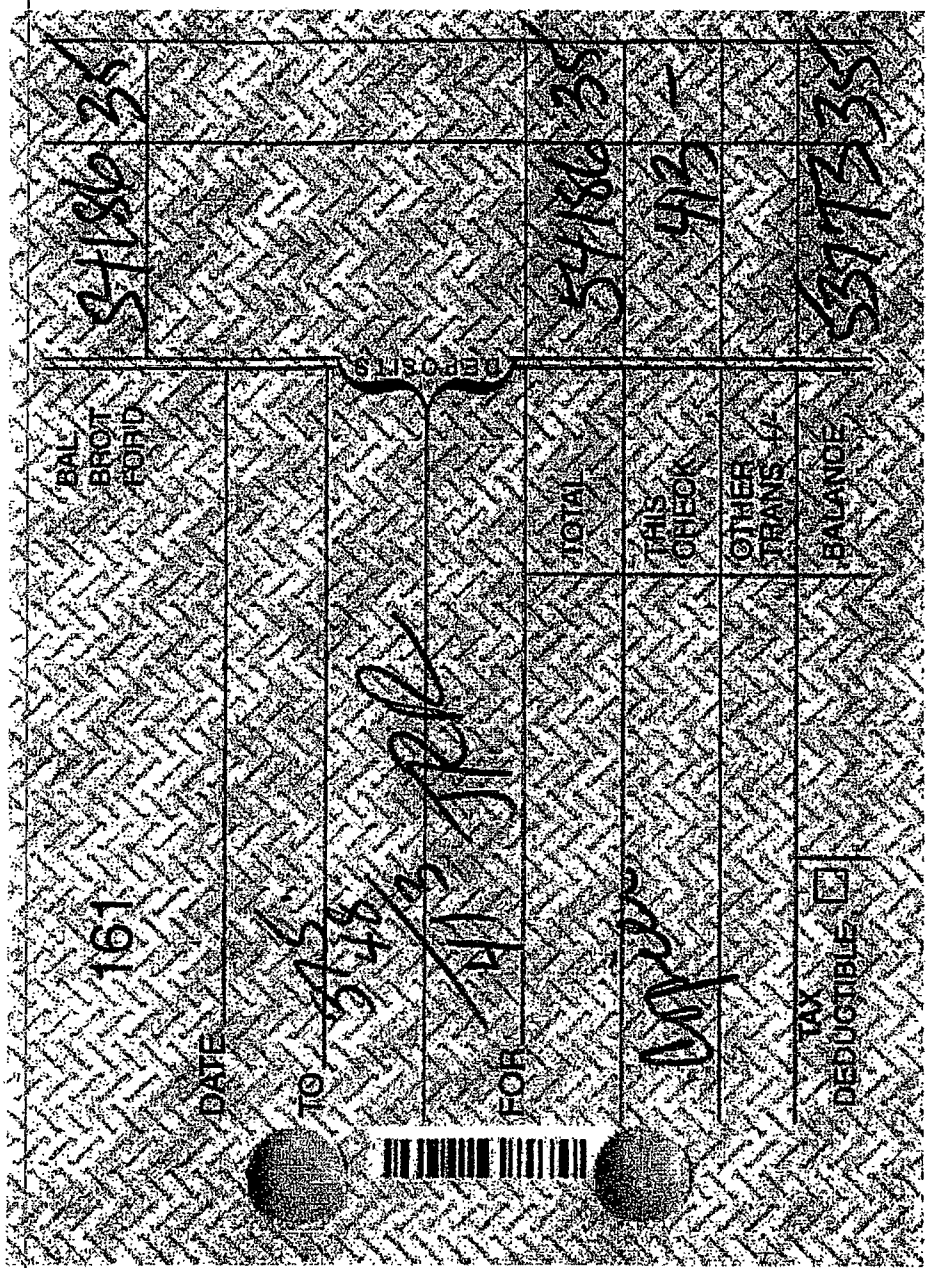
Security Federal Bank
WEST COLUMBIA, SC 29169

FOR

⑈000161⑈ [redacted] ⑈000041300⑈

Chk# 161 Date 07/05/05 Amt $413.00

MTB0051


161
DATE
TO
FOR
BAL BROT FORD
DEPOSITS
TOTAL
THIS CHECK
OTHER TRANS. (+)
BALANCE
TAX DEDUCTIBLE

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 3553
WEST COLUMBIA, SC 29171

162

DATE 7-11-05

PAY TO THE ORDER OF KON BOX 515 $1851 T1999 P27 305.15

Three Hundred five and 15/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR LOT 50 TOD 94

J.R. Rakowsky

⑈000162⑈ [redacted] ⑆000030515⑆

Ck# 162 Date 07/21/05 Amt $305.15

CMTB0053

IKON Document Efficiency At Work.™

INVOICE

IKON Office Solutions - Columbia, SC
Phone: (803) 779-9778 Fax:
Federal ID: [redacted]

Invoice #:	L0705070094
Invoice Date:	07/11/2005
Due Date:	07/21/2005
Terms:	Net 10 Days
Customer Code:	L07-JOHR
Nail ID:	1

SOLD TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

SHIP TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

Attn: John R. Rakowsky

Price using: STANDARD Price

Reference / Case #	Reference 2	Reference 3	Account Manager
Jay Spencer			F. BRYAN HANNA

Salesorder	Order Date	Ordered By	Quantity	Unit Price	Extension
SO-0507-0102	07/11/2005	John R. Rakowsky - John R. Rakowsky B&W Copies D - Heavy Litigation	1,645.00	0.175	287.88

Please Pay From This Invoice

Your signature below is an agreement that the above described work has been authorized and received. The party above assures payment of this invoice within 10 days. Interest at the rate of the lesser 1.5% per month or the maximum legal rate will be charged on invoices not paid in 10 days. Customer agrees to pay legal fees incurred in the collection of past due accounts.

Taxable Sales:	287.88
Sales Tax:	17.27
Non-Taxable:	0.00
Postage:	0.00
Delivery:	0.00
PAY THIS AMOUNT	305.15

Received and Approved by: _____ Date: 7/11/05

Please pay from this copy. The party named on this bill is held responsible for payment.

Payment From:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

Amount Enclosed
$

Invoice: L0705070094
Invoice Date: 07/11/2005
Due Date: 07/21/2005
Customer Code: L07-JOHR
Nail ID: 1

Please Remit To:
IKON Office Solutions
Southeast District - L07
P O Box 532545
Atlanta, GA 30353-2568

PAY THIS AMOUNT $ 305.15

MTB0054

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., P.O. BOX 3000
WEST COLUMBIA, SC 29171

163

DATE 7-11-05

PAY TO THE ORDER OF Mark Herder 07/14/05 21233 T1235 P27 05 $150.00

One Hundred Fifty and 00/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR

John R. Rakowsky

⑈000163⑈ [redacted] ⑈000015000⑈

Ck# 163 Date 07/14/05 Amt $150.00

MTB0055

163

DATE

TO

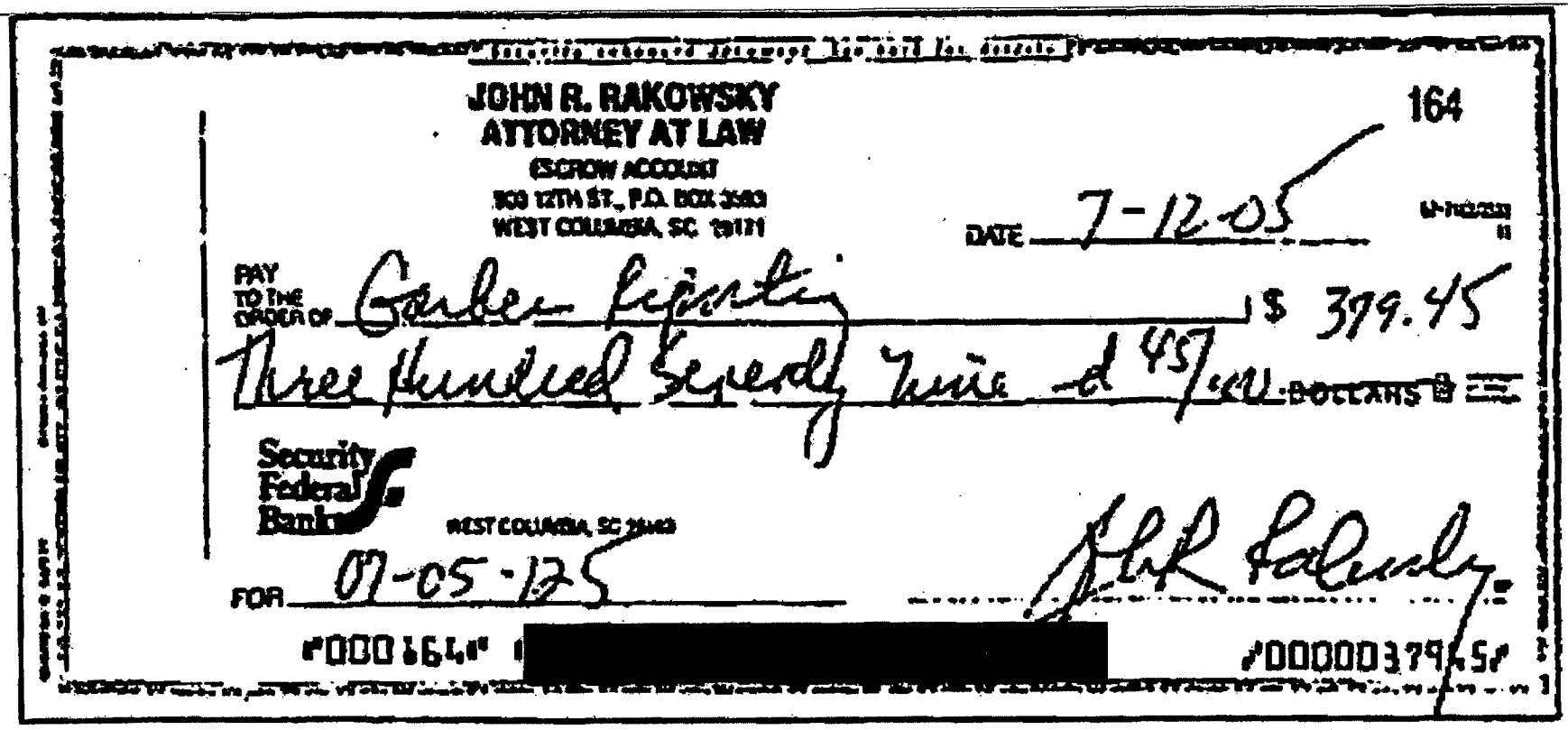
FOR

DEPOSITS

	53468 20
TOTAL	53468 20
THIS CHECK	150 —
OTHER TRANS. +/-	
BALANCE	53318 20

TAX DEDUCTIBLE ☐

MTB0056



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
909 12TH ST., P.O. BOX 3583
WEST COLUMBIA, SC 29171

164

DATE 7-12-05

PAY TO THE ORDER OF Garber Logistics $ 379.45

Three Hundred Seventy Nine and 45/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR 07-05-125

John R. Rakowsky

#000164# [redacted] #000037945#

Ck# 164 Date 07/25/05 Amt $379.45

ATTB0057

Garber Reporting Service
Certified Court Reporters
Post Office Box 12948
Columbia, South Carolina 29211
(803) 256-4500

Invoice No: 07-05-125

Please show invoice number on checks and correspondence

I.D. [redacted]

TO: RONALD SEROTA, ESQUIRE
ATTORNEY AT LAW
CORPORATE LAW CENTER
2620 REGATTA DRIVE, SUITE 102
LAS VEGAS, NEVADA 89128

DATE: July 05, 2005

June 28, 2005 Reporter: PATRICIA BACHAND

IN RE: SOUTHERN HOLDINGS, INC., JAMES SPENCER; RODNEY KEITH LAIL; IRENE SANTACROCE; RICKY STEPHENS; MARGUERITE STEPHENS; DORIS HOLT; & NICHOLAS C. WILLIAMSON VS HORRY CO. SC; HORRY CO. SHERIFF'S

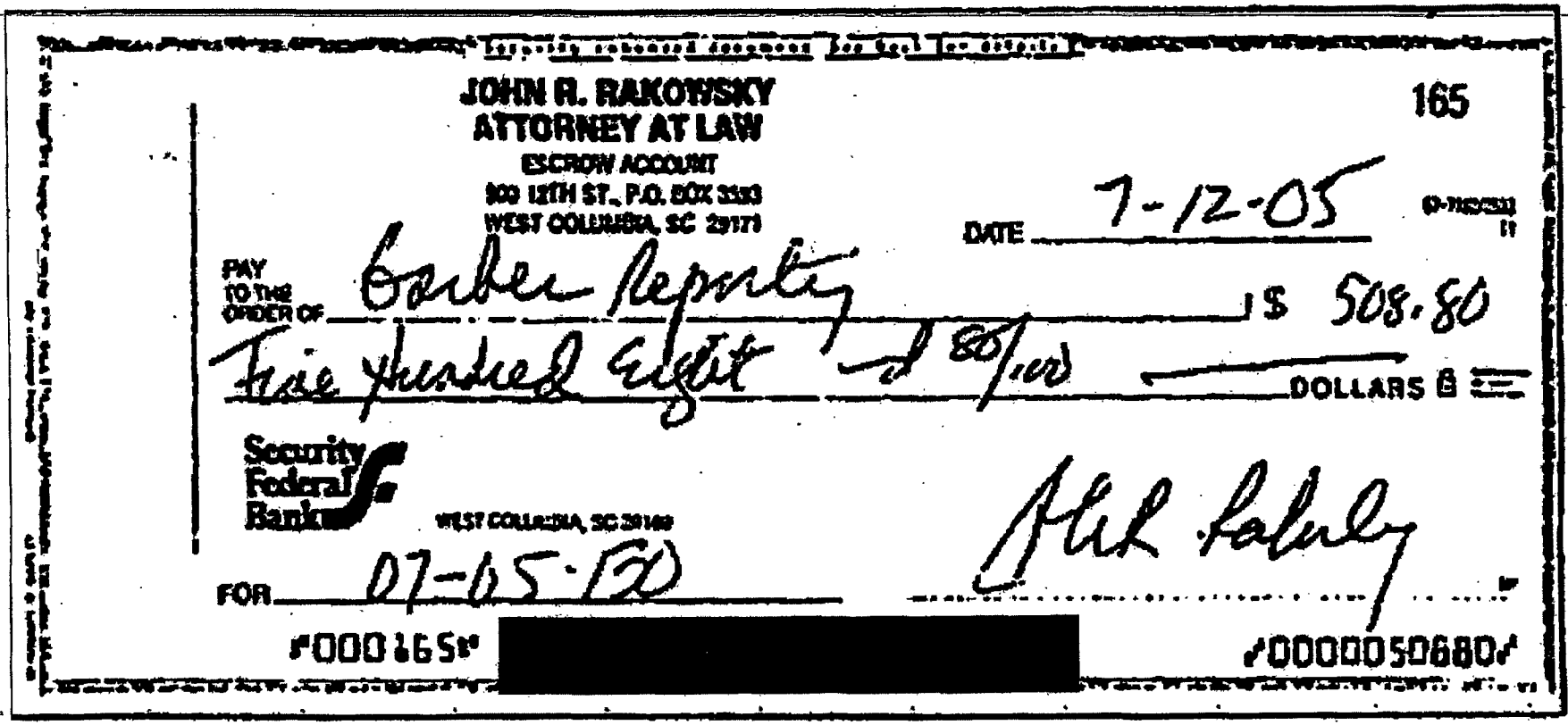
DEPOSITION OF GLENN HARRISON, PH.D.

ONE COPY OF TRANSCRIPT	295.80
COMPRESSED TRANSCRIPT	0.00
EXHIBIT COPIES	83.65
TOTAL DUE	379.45

NOTE: THANK YOU.

PR # 1661

Due & Payable upon receipt in Richland County, Columbia, SC



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., P.O. BOX 3533
WEST COLUMBIA, SC 29171

165

DATE 7-12-05

PAY TO THE ORDER OF Barber Reporting $ 508.80

Five Hundred Eight 80/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR 07-05-CD

Jack Rakowsky

⑈000165⑈ [redacted] ⑈000050680⑈

Ck# 165 Date 07/25/05 Amt $508.80

TB0059

Garber Reporting Service
Certified Court Reporters
Post Office Box 12948
Columbia, South Carolina 29211
(803) 256-4500

Invoice No: 07-05-130

Please show invoice number on checks and correspondence

I.D.# [redacted]

RONALD SEROTA, ESQUIRE
ATTORNEY AT LAW
CORPORATE LAW CENTER
TO: 2620 REGATTA DRIVE, SUITE 102
LAS VEGAS, NEVADA 89128

DATE: July 05, 2005

June 28, 2005 Reporter: PATRICIA BACHAND

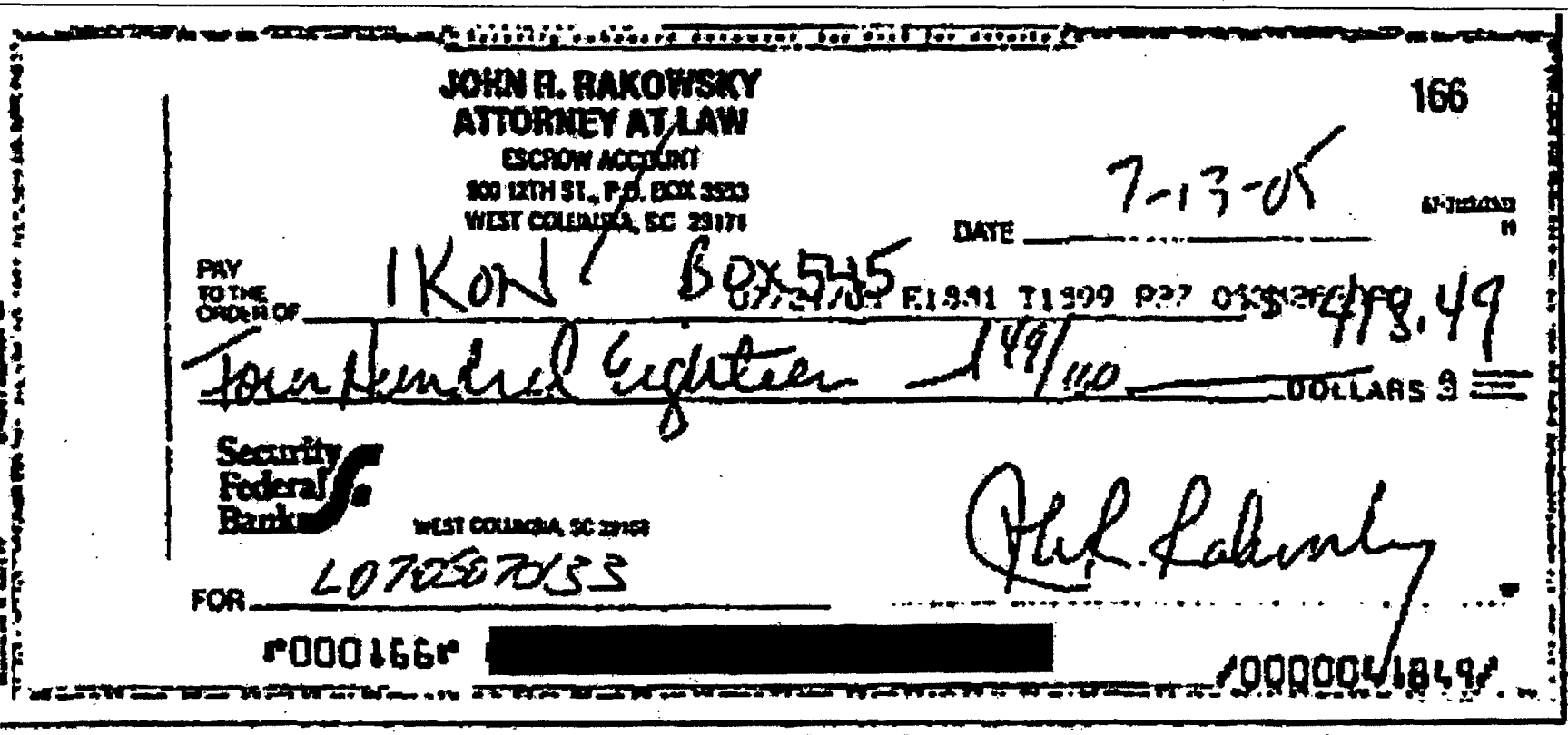
IN RE: SOUTHERN HOLDINGS, INC., JAMES SPENCER; RODNEY KEITH LAIL; IRENE SANTACROCE; RICKY STEPHENS; MARGUERITE STEPHENS; DORIS HOLT; & NICHOLAS C. WILLIAMSON VS HORRY CO. SC; HORRY CO. SHERIFF'S

DEPOSITION OF EUGENE CHEWNING, PH.D.	
ONE COPY OF TRANSCRIPT	186.30
COMPRESSED TRANSCRIPT	0.00
EXHIBIT COPIES	62.45
DEPOSITION OF MARIBETH COLLER, PH.D.	
ONE COPY OF TRANSCRIPT	207.90
COMPRESSED TRANSCRIPT	0.00
EXHIBIT COPIES	52.15
TOTAL DUE	508.80

NOTE: THANK YOU.

Pd #165

Due & Payable upon receipt in Richland County, Columbia, SC



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 3353
WEST COLUMBIA, SC 29171

166

DATE 7-13-05

PAY TO THE ORDER OF IKON BOX 545 418.49

Four Hundred Eighteen 49/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR LO7050753

⑈000166⑈ [redacted] ⑈000041849⑈

Ck# 166 Date 07/21/05 Amt $418.49

MTB0061

IKON Document Efficiency At Work.

IKON Office Solutions - Columbia, SC
Phone: (803) 779-9778 Fax:
Federal ID: [redacted]

INVOICE

Invoice #	L0705070133
Invoice Date:	07/13/2005
Due Date:	07/23/2005
Terms:	Net 10 Days
Customer Code:	L07-JOHR
Natl ID:	65750

SOLD TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

SHIP TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

Price using: STANDARD Price

Attn: John R. Rakowsky

Reference / Case #	Reference 2	Reference 3	Account Manager
Jay Spencer			F. BRYAN HANNA

Salesorder	Order Date	Ordered By	Quantity	Unit Price	Extension
SO-0507-0141	07/12/2005	John R. Rakowsky - John R. Rakowsky Prints w/ Assembly	3,290.00	0.120	394.80

Please Pay From This Invoice

Your signature below is an agreement that the above described work has been authorized and received. The party above assures payment of this invoice within 10 days. Interest at the rate of the lesser 1.5% per month or the maximum legal rate will be charged on invoices not paid in 10 days. Customer agrees to pay legal fees incurred in the collection of past due accounts.

Taxable Sales:	394.80
Sales Tax:	23.69
Non-Taxable:	0.00
Postage:	0.00
Delivery:	0.00
PAY THIS AMOUNT	**418.49**

Received and Approved by: _____ Date: _____

Please pay from this copy. The party named on this bill is held responsible for payment.

Payment From:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

Amount Enclosed
$

Invoice: L0705070133
Invoice Date: 07/13/2005
Due Date: 07/23/2005
Customer Code: L07-JOHR
Natl ID: 65750

Please Remit To:
IKON Office Solutions
Southeast District - L07
P O Box 532545
Atlanta, GA 30353-2568

PAY THIS AMOUNT $ 418.49

MTB0062

Security Federal Bank
P.O. BOX 810 • AIKEN, SOUTH CAROLINA 29802

Date 7/29/05 Page 2
Primary Account [redacted]
Enclosures 14

JOHN R RAKOWSKY ATTORNEY AT LAW
IOLTA
PO BOX 3593
WEST COLUMBIA SC 29171

PROPRIETORSHIP CKG 1108001313 (Continued)

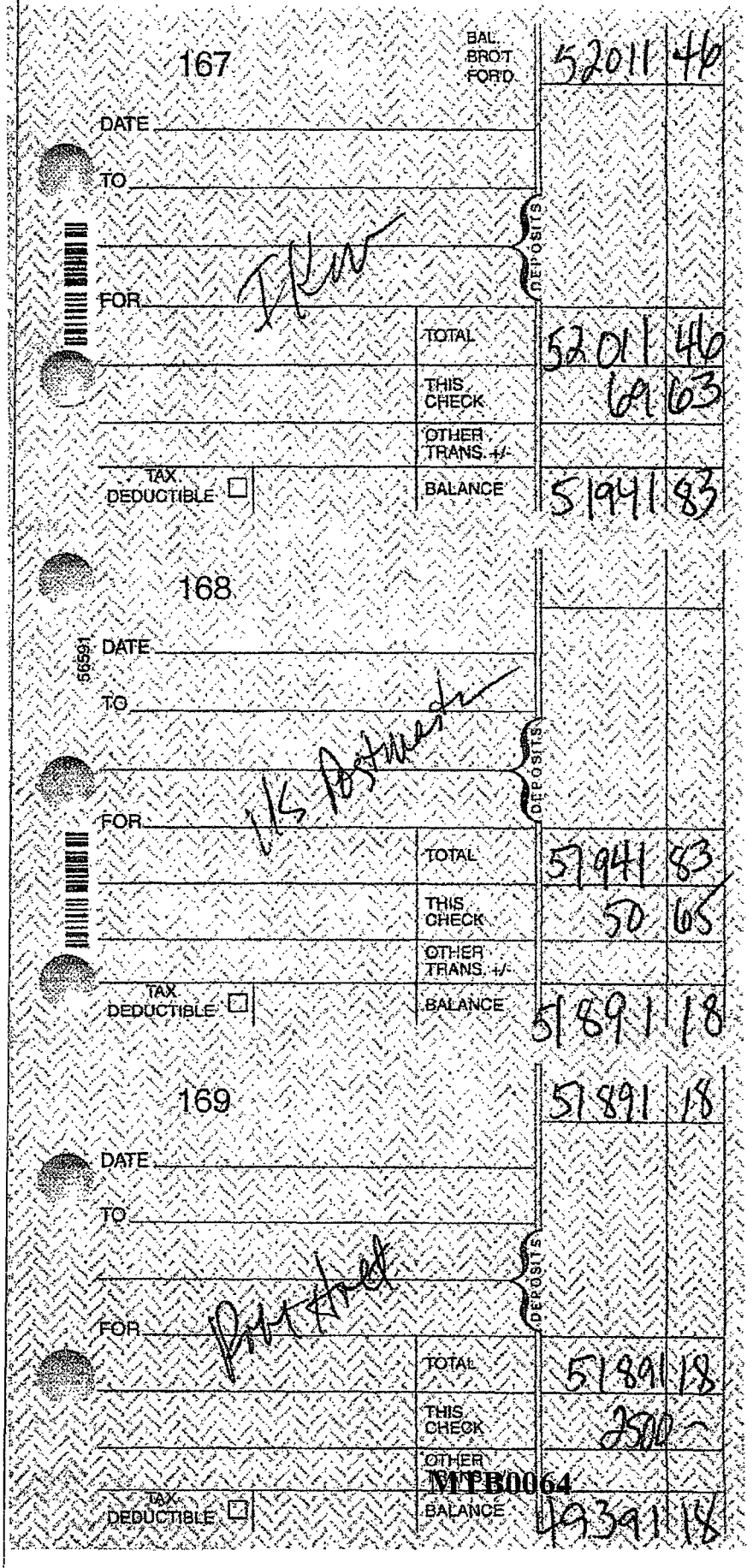
--- CHECKS IN NUMBER ORDER ---

DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
7/05	161	413.00	7/25	165	508.80	7/19	169	2500.00
7/21	162	305.15	7/21	166	418.49	7/27	170	1780.00
7/14	163	150.00	7/21	167	69.63			
7/25	164	379.45	7/19	168	50.65			

* DENOTES MISSING CHECK NUMBERS

INTEREST RATE SUMMARY

DATE	RATE
6/30	0.2500%



167
DATE
TO
FOR T Kuw
TAX DEDUCTIBLE ☐
BAL. BRO'T FOR'D 52011 46
DEPOSITS
TOTAL 52011 46
THIS CHECK 69 63
OTHER TRANS. +/-
BALANCE 51941 83

168
DATE
TO
FOR US Postmaster
TAX DEDUCTIBLE ☐
DEPOSITS
TOTAL 51941 83
THIS CHECK 50 65
OTHER TRANS. +/-
BALANCE 51891 18

56591

169
DATE
TO
FOR Postmaster
TAX DEDUCTIBLE ☐
DEPOSITS
51891 18
TOTAL 51891 18
THIS CHECK 2500
OTHER
BALANCE 49391 18

IKON Document Efficiency At Work.

INVOICE

IKON Office Solutions - Columbia, SC
Phone: (803) 779-9778 Fax:
Federal ID: [redacted]

Invoice #:	L0705070180
Invoice Date:	07/14/2005
Due Date:	07/24/2005
Terms:	Net 10 Days
Customer Code:	L07-JOHR
Natl ID:	65750

SOLD TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

SHIP TO:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

Attn: John R. Rakowsky

Price using: STANDARD Price

Reference / Case #:	Reference 2	Reference 3	Account Manager
JAY SPENCER			F. BRYAN HANNA

Salesorder	Order Date	Ordered By	Quantity	Unit Price	Extension
SO-0507-0160	07/13/2005	John R. Rakowsky - John R. Rakowsky			
		B&W Copies C - Medium	453.00	0.145	65.69

Please Pay From This Invoice

Your signature below is an agreement that the above described work has been authorized and received. The party above assures payment of this invoice within 10 days. Interest at the rate of the lesser 1.5% per month or the maximum legal rate will be charged on invoices not paid in 10 days. Customer agrees to pay legal fees incurred in the collection of past due accounts.

Taxable Sales:	65.69
Sales Tax:	3.94
Non-Taxable:	0.00
Postage:	0.00
Delivery:	0.00
PAY THIS AMOUNT	69.63

Received and Approved by: _____ Date: _____

Please pay from this copy. The party named on this bill is held responsible for payment.

Payment From:
John R. Rakowsky
1015 Center Street
West Columbia, SC 29169

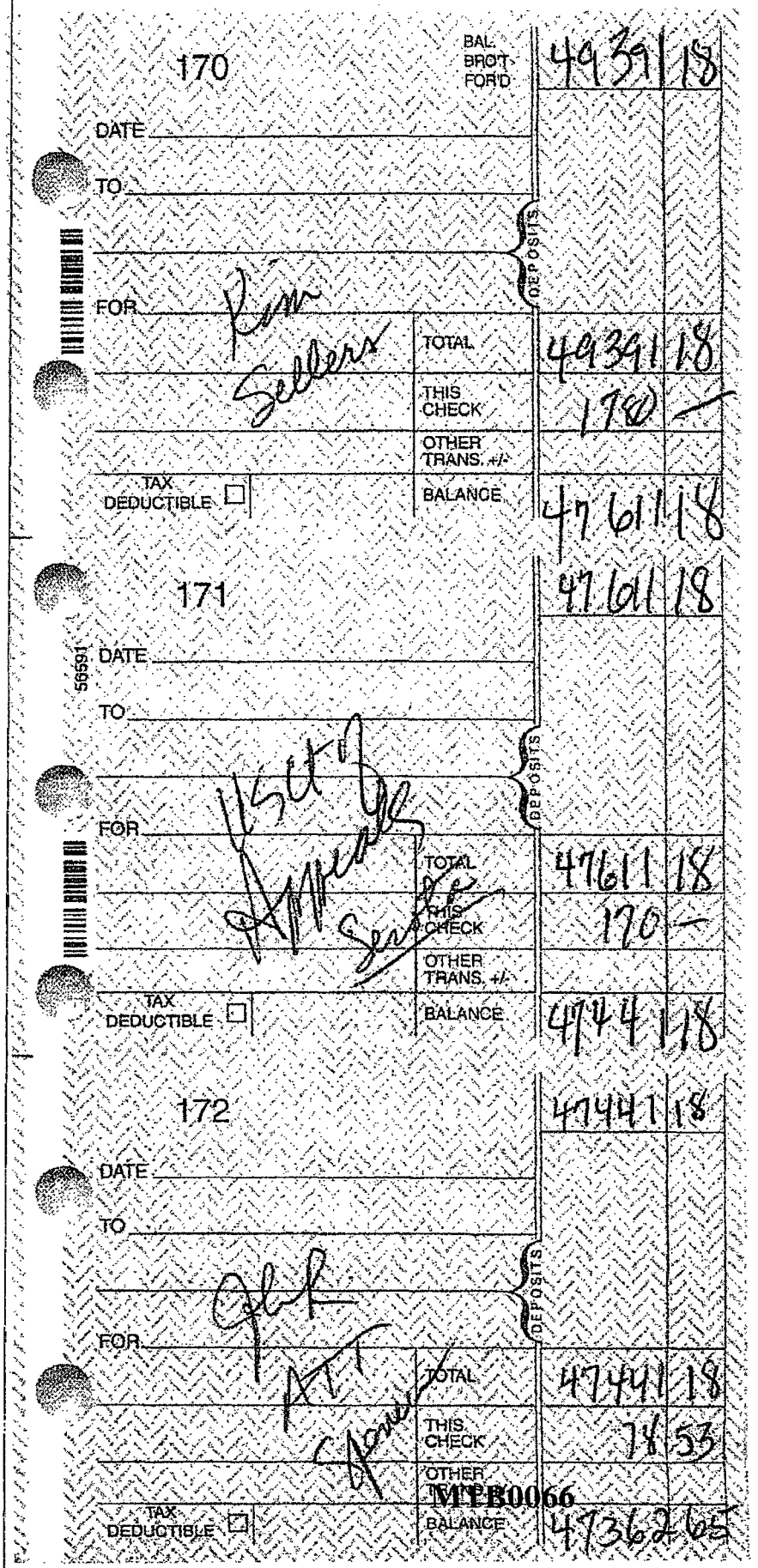
Amount Enclosed
$

Invoice: L0705070180
Invoice Date: 07/14/2005
Due Date: 07/24/2005
Customer Code: L07-JOHR
Natl ID: 65750

Please Remit To:
IKON Office Solutions
Southeast District - L07
P O Box 532545
Atlanta, GA 30353-2568

PAY THIS AMOUNT $ 69.63

MTB0065

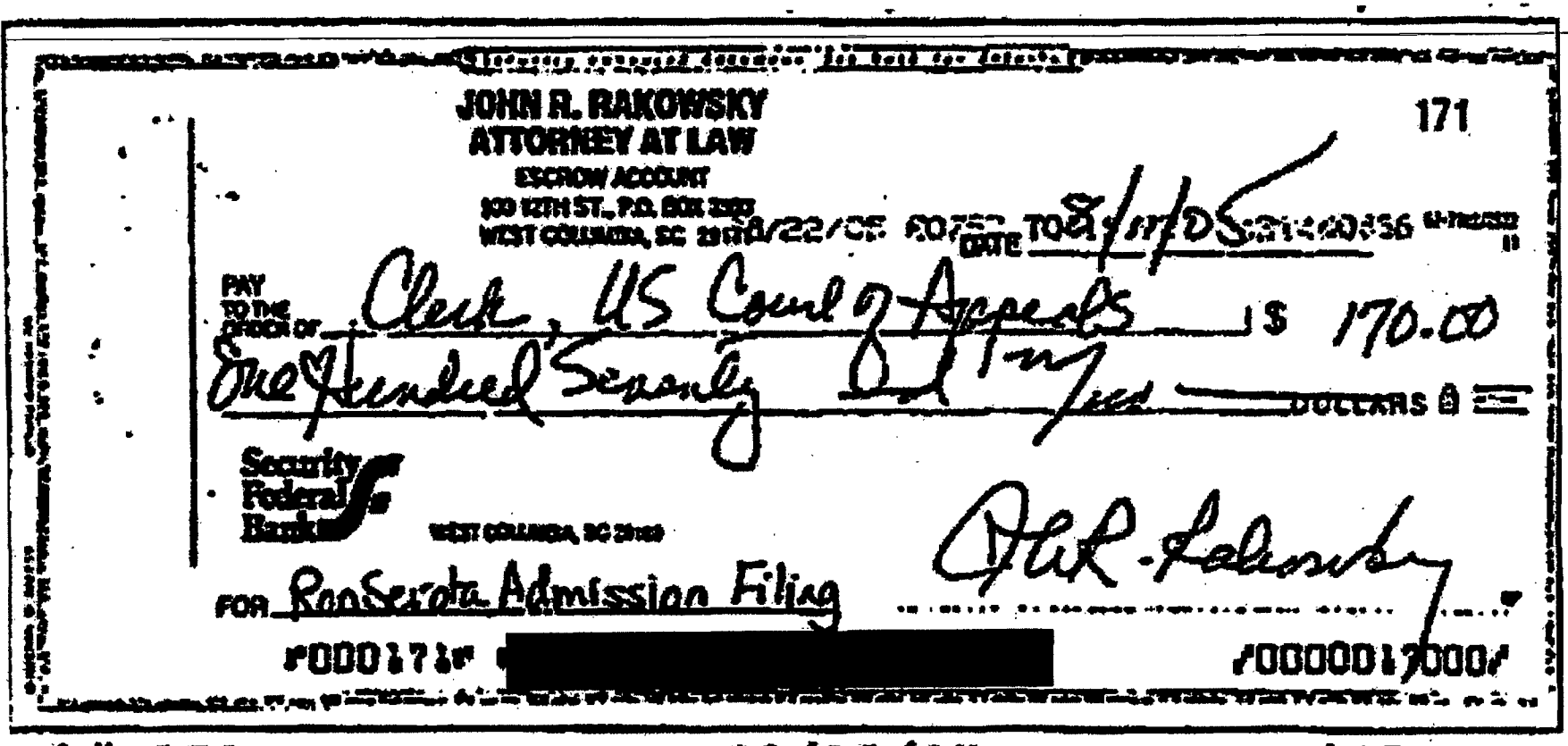

170
BAL. BROT. FOR'D
4939 18
DATE
TO
DEPOSITS
FOR
Ken Sellers
TOTAL
4939 18
THIS CHECK
180 —
OTHER TRANS. +/-
TAX DEDUCTIBLE
BALANCE
4759 18
4759 18
171
DATE
TO
DEPOSITS
FOR
TOTAL
4759 18
THIS CHECK
170 —
OTHER TRANS. +/-
TAX DEDUCTIBLE
BALANCE
4744 18
47441 18
172
DATE
TO
DEPOSITS
FOR
TOTAL
47441 18
THIS CHECK
78 53
OTHER
TAX DEDUCTIBLE
BALANCE
47362 65

MTB0066

Kimberly A. Sellers
Invoice for Independent Paralegal Services

Re: USDC- Florence Division
C/A No.: 4:02-1859-12
Southern Holdings Inc, et al. v. Horry County, South Carolina, et al.

6/27/05	meeting with Mark Hardee re: case review	1.0
7/9/05	meeting with client and John Rakowsky review materials	2.5
7/10/05	prepare trial exhibits	8.0
7/11/05	prepare trial exhibits and completion of exhibit list	12.25
7/14/05	organize depositions, trial materials, etc.	3.0
7/16/05	summary judgment preparation, trial prep	6.50
7/17/05	trial prep-file organization	2.0
7/18/05	trial prep- file organization	2.0
TOTAL TIME		**34.25 hours**
Hourly Rate:	**$50.00 per hour**	**$ 1,712.50**
Expenses:	**attached**	**$ 67.50**
TOTAL AMOUNT DUE:		**$1,780.00**



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
100 12TH ST., P.O. BOX 2383
WEST COLUMBIA, SC 29169

171

DATE 8/17/05

PAY TO THE ORDER OF Clerk, US Court of Appeals $ 170.00

One Hundred Seventy and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

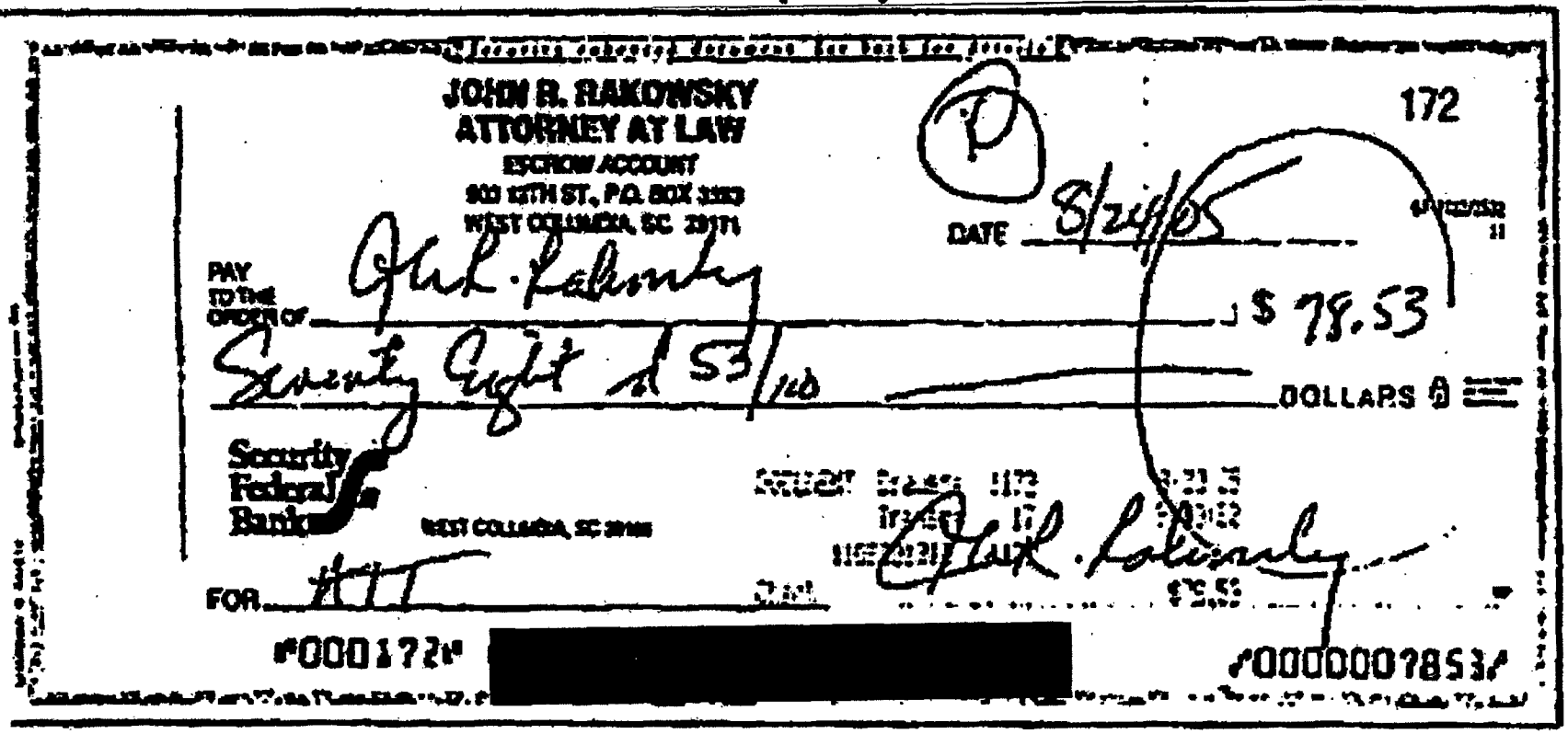
FOR Ron Serota Admission Filing

John R. Rakowsky

⑈000171⑈ [redacted] ⑈000017000⑈

Ck# 171 Date 08/22/05 Amt $170.00

MTB0068



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC 29171

172

DATE 8/24/05

PAY TO THE ORDER OF John R. Rakowsky $ 78.53

Seventy Eight & 53/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC [redacted]

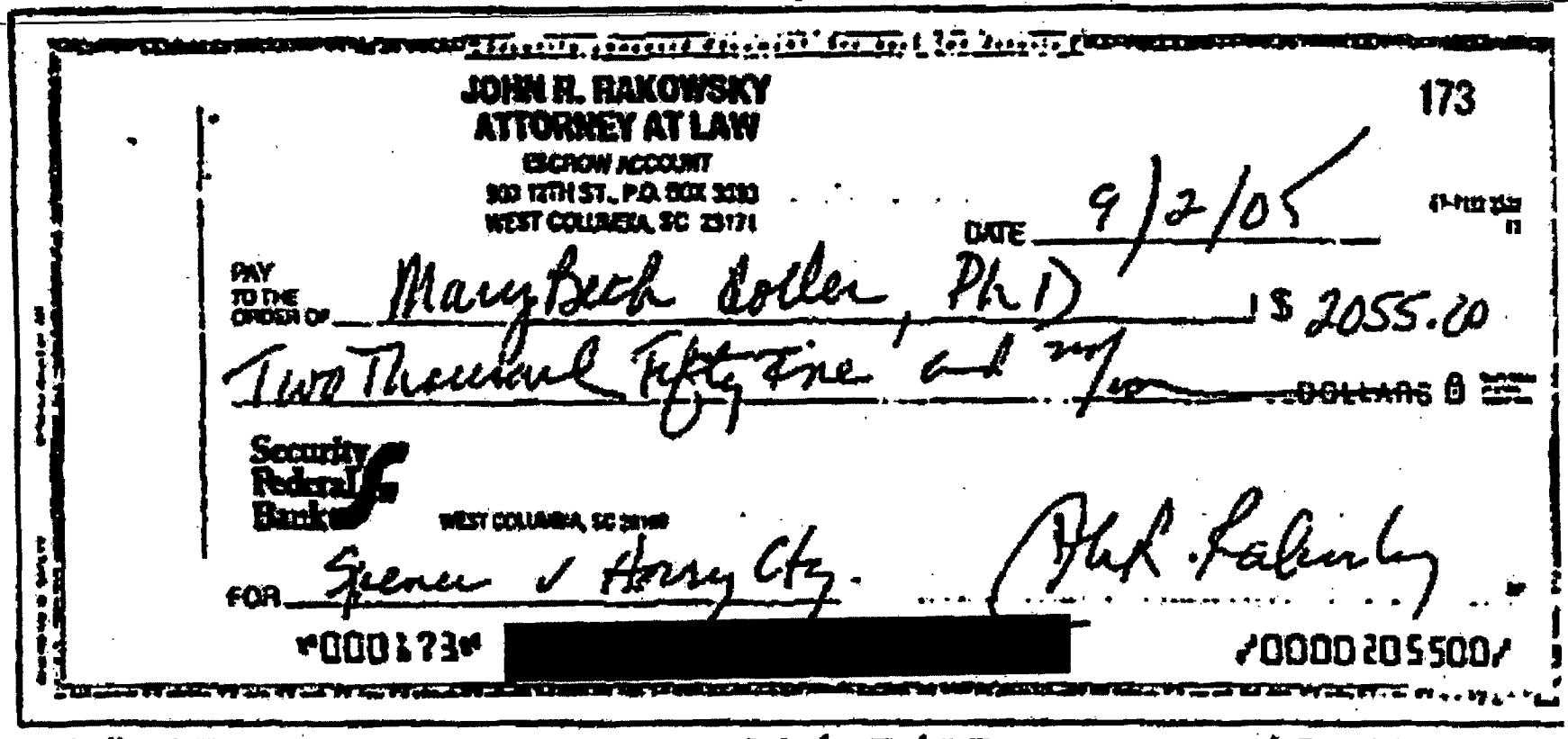
FOR Att

John R. Rakowsky

⑈000172⑈ [redacted] ⑈000007853⑈

Ck# 172 Date 08/30/05 Amt $78.53

MTB0069



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
303 12TH ST., P.O. BOX 3283
WEST COLUMBIA, SC 29171

173

DATE 9/2/05

PAY TO THE ORDER OF Mary Beth Collen, PhD $ 2055.00

Two Thousand Fifty-five and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR Spence v Horry Cty.

John R. Rakowsky

⑈000173⑈ [redacted] ⑆0000205500⑆

Ck# 173 Date 09/15/05 Amt $2,055.00

MTB0070

Maribeth Coller, Ph.D.

111 Laurel Branch Way Columbia, SC 29212 (803) 730-1218

Invoice for Consulting Services

June 30, 2005

Submitted To:

Mr. Ronald Serota
Law Office of Ronald Serota Esq.
520 South Sixth St.
Las Vegas, NV 89101

Case: Southern Holdings

Hours to date: 21.3 hours @ $350/hour		$ 7,455.00
Less:	Deposition hours billed to *Aiken Bridges* (2 hours @ $200/hour)	(400.00)
	Retainer received on 9/10/03	(5,000.00)
Balance Due		$ 2,055.00

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
100 12TH ST., P.O. BOX 3513
WEST COLUMBIA, SC 29171

174

DATE 9/2/05

PAY TO THE ORDER OF Eugene A Chewning $ 6326.25

Six Thousand Three Hundred Six and 25/100 Dollars

Security Federal Bank WEST COLUMBIA SC 29169

FOR Spencer v Horry Cty. John R. Rakowsky

⑈000174⑈ [redacted] ⑈000006306256⑈

Ck# 174 Date 09/13/05 Amt $6,306.25

MTB0072

Invoice for Services

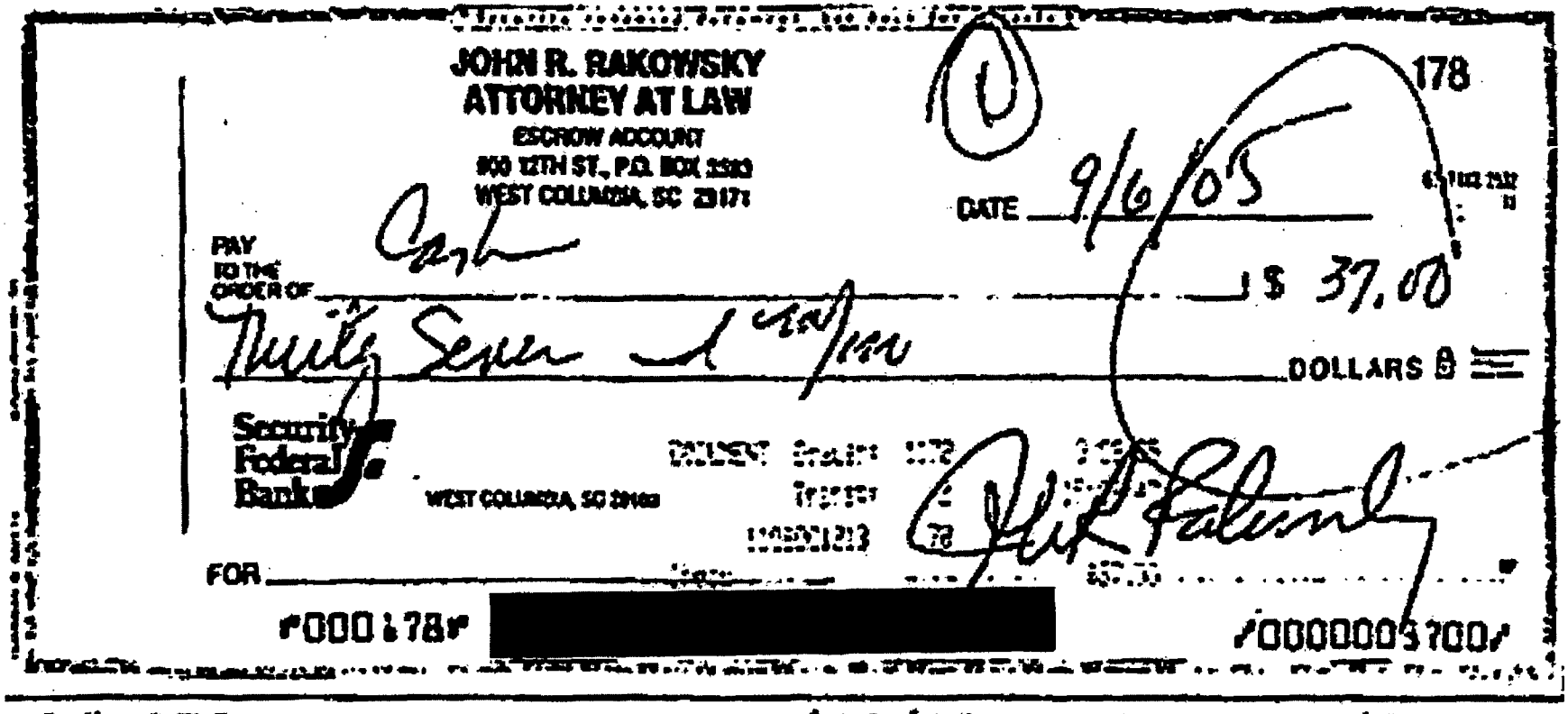
Eugene G. Chewning, Jr., Ph.D., CPA (NC)
111 Laurel Branch Way
Columbia, SC 29212

Billed To: Mr. Ronald Serota
Law Office of Ronald Serota Esq.
520 South Sixth St.
Las Vegas, NV 89101

Re: Southern Holdings Litigation
Services through June 30, 2005

Time for services rendered (see attached detail):

24.75 hours @ $275/hour	$ 6,806.25
Less: 2.5 hours billed to *Aiken Bridges* @ $200/hour	(500.00)
Balance Due	$ 6,306.25


JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 2580
WEST COLUMBIA, SC 29171

178

DATE 9/6/05

PAY TO THE ORDER OF

$ 37.00

Thirty Seven and 00/100 DOLLARS

Security Federal Bank

WEST COLUMBIA, SC 29169

FOR

[redacted]

Ck# 178 Date 09/08/05 Amt $37.00

TB0074

178

361802 22

DATE

TO

DEPOSITS

FOR Cash Deposit

TOTAL 361802 22

THIS CHECK 32 -

OTHER TRANS. +/-

BALANCE 361770 22

TAX DEDUCTIBLE ☐

MTB0075

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 3563
WEST COLUMBIA, SC 29171

179

09/12/05 E1303 T1311 P27 0822089085

DATE 9/12/05

PAY TO THE ORDER OF Harrison & Lott Stron $ 6094.00

Six Thousand Ninety Four and 00/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR

⑈000179⑈ [redacted] ⑈000609400⑈

Ck# 179 Date 09/12/05 Amt $6,094.00

NTB0076

Glenn Harrison

From: "Glenn Harrison" <gharrison@research.bus.ucf.edu>
To: "John Rakowsky" <johnrakowskylawofc@sc.rr.com>
Cc: "Maribeth Coller" <mbeth@americansunbelt.com>
Sent: Monday, August 29, 2005 4:54 PM
Attach: GWH Southern Holdings Fees -- Plaintiffs Counsel.pdf; GWH Southern Holdings Fees -- Deposition.pdf
Subject: Re: fax

John:

Let me correct the last e-mail. I had two invoices, at the request of plaintiff counsel. One was for my work on the case and expenses prior to the deposition. The other one was directed to both plaintiff and defense counsel just for my depo time. It is the latter that defense counsel has already paid $600 towards -- they agreed to pay at the rate of $200 an hour, and Ron told me that the rest would be covered by plaintiffs. So the net amount owing is $5194 + ($1500 - $600) = $6194. I attach the two invoices.

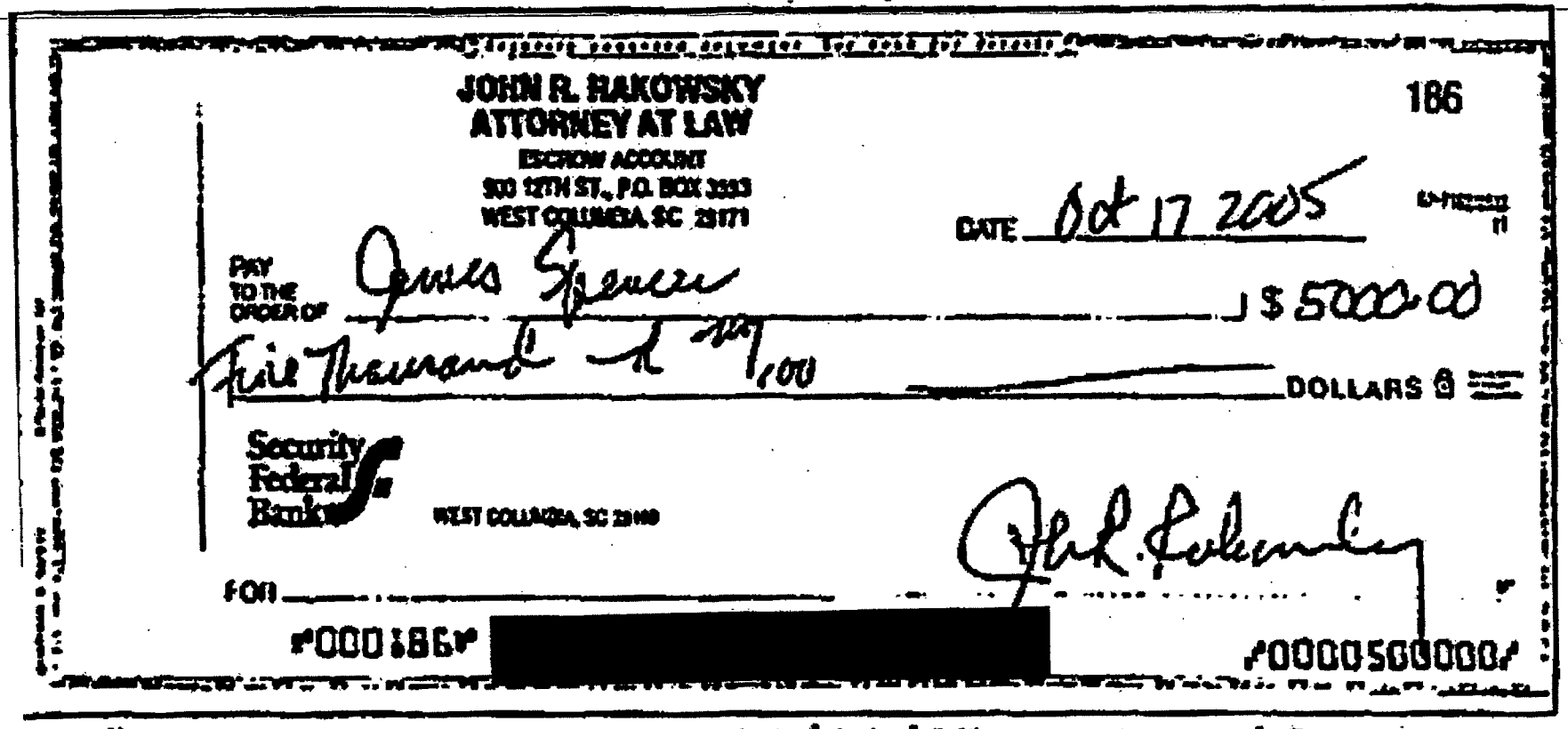
Maribeth will FAX the invoice from Gene Chewing and her to you on Thursday when she is back from some travels.

Glenn

cc. Maribeth

UCF E-mail: gharrison@research.bus.ucf.edu
Private E-mail: glenn@harrison-rutstrom.com
WWW: http://www.bus.ucf.edu/gharrison/
Phone & Messages: (407) 489-3088
Private FAX: (253) 830-7636

> ----- Original Message -----
> **From:** John Rakowsky
> **To:** glenn@harrison-rutstrom.com
> **Sent:** Monday, August 29, 2005 3:26 PM
> **Subject:** fax
>
> Glenn: Please forward invoices for you, marybeth and chewning to 803-794-2788
>
> ty John



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., P.O. BOX 3553
WEST COLUMBIA, SC 29171

186

DATE Oct 17 2005

PAY TO THE ORDER OF James Spencer $ 5000.00

Five Thousand & 00/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

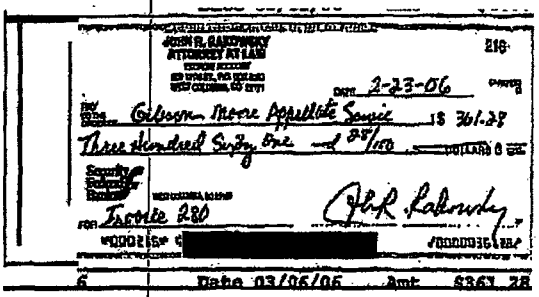
FOR

Jack Rakowsky

⑈000186⑈ [redacted] ⑈000500000⑈

Ck# 186 Date 10/18/05 Amt $5,000.00

NTB0078



JOHN R. SARTWELL
ATTORNEY AT LAW

216

Date 2-23-06

Pay to the Order of Gibson Moore Appellate Service $ 361.28

Three Hundred Sixty One and 28/100 DOLLARS

For Ironic 280

[redacted]

6 Date 03/06/06 Amt $361.28

Ck# 216

MARK W. HARDEE
ATTORNEY AT LAW
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

February 8, 2006

VIA FACSIMILE 794-2788
John Robert Rakowsky
PO Box 3593
West Columbia SC 29171

RE: *Southern Holdings, Inc., et al. v. Horry County, South Carolina, et al.*
Civil Action No. 4:02-CV-01859-RBH

Dear Mr. Rakowsky:

On February 8, 2006, I sent a copy the invoice from Gibson Moore Appellate Services, LLC regarding the above-referenced matter to you. Please remit payment to Gibson Moore directly. Thank you for your assistance in this matter.

If you have any questions, please do not hesitate to contact our office.

Sincerely,

MARK W. HARDEE, ATTORNEY AT LAW

Angie Catoe
Paralegal to Mark W. Hardee

/acc

MARK W. HARDEE
ATTORNEY AT LAW
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

FAX COVER SHEET

To: [illegible]
Fax No: [illegible]
From: Angie Catoe, Paralegal to Mark W. Hardee
Date: [illegible], 2006
Re: [illegible]

Comments:

Total Pages 7 (Including this cover sheet)

* * *CONFIDENTIAL* * *

MARK W. HARDEE
ATTORNEY AT LAW
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

February 8, 2006

VIA FACSIMILE 794-2788
John Robert Rakowsky
PO Box 3593
West Columbia SC 29171

RE: *Southern Holdings, Inc., et al. v. Horry County, South Carolina, et al.*
Civil Action No. 4:02-CV-01859-RBH

Dear Mr. Rakowsky:

Please find enclosed the invoice from Gibson Moore Appellate Services, LLC regarding the above-referenced matter. I apologize for not sending this to you sooner.

If you have any questions, please do not hesitate to contact our office.

Sincerely,

MARK W. HARDEE, ATTORNEY AT LAW

Angela Cafoe
Paralegal to Mark W. Hardee

/acc
Enclosure

MARK W. HARDEE
ATTORNEY AT LAW
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

FAX COVER SHEET

To: [illegible]
Fax No: [illegible]
From: Angie Catoe, Paralegal to Mark W. Hardee
Date: [illegible], 2006
Re: [illegible]

Comments:

Total Pages 1 (Including this cover sheet)

* * *CONFIDENTIAL* * *

MARK W. HARDEE
ATTORNEY AT LAW
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

February 8, 2006

VIA FACSIMILE 794-2788
John Robert Rakowsky
PO Box 3593
West Columbia SC 29171

RE: *Southern Holdings, Inc., et al. v. Horry County, South Carolina, et al.*
Civil Action No. 4:02-CV-01859-RBH

Dear Mr. Rakowsky:

Please find enclosed the invoice from Gibson Moore Appellate Services, LLC regarding the above-referenced matter. I apologize for not sending this to you sooner.

If you have any questions, please do not hesitate to contact our office.

Sincerely,

MARK W. HARDEE, ATTORNEY AT LAW

Angela Cabe
Paralegal to Mark W. Hardee

/acc
Enclosure

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC 29171

219

DATE 3-7-06

PAY TO THE ORDER OF John R. Rakowsky $ 200.00

Two Hundred and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR

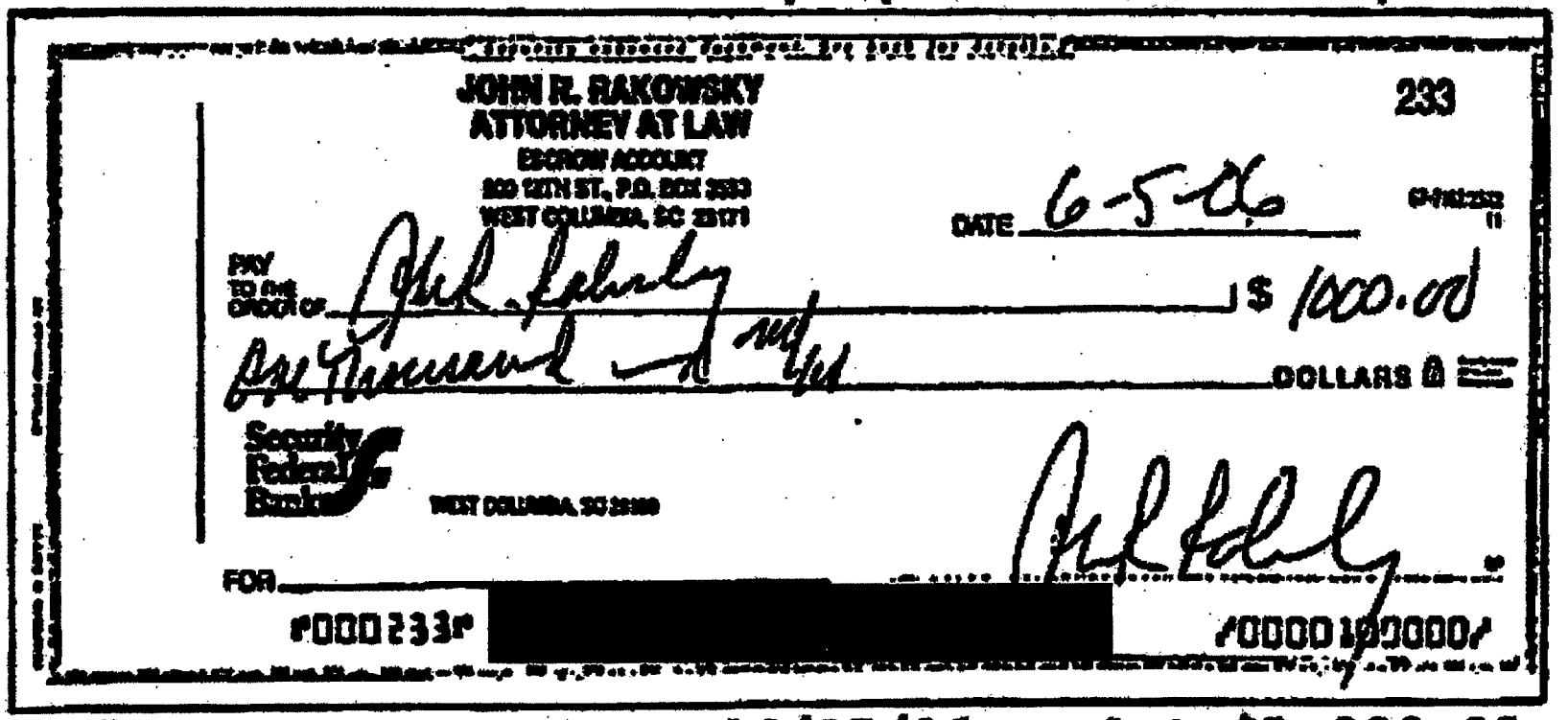
John R. Rakowsky

⑈000219⑈ [redacted] ⑈00000 20000⑈

Ck# 219 Date 03/07/06 Amt $200.00

MKB0085

Date 06/02/06 Amt $4.05


JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC 29171

233

DATE 6-5-06

PAY TO THE ORDER OF [redacted] $ 1000.00

[redacted] DOLLARS

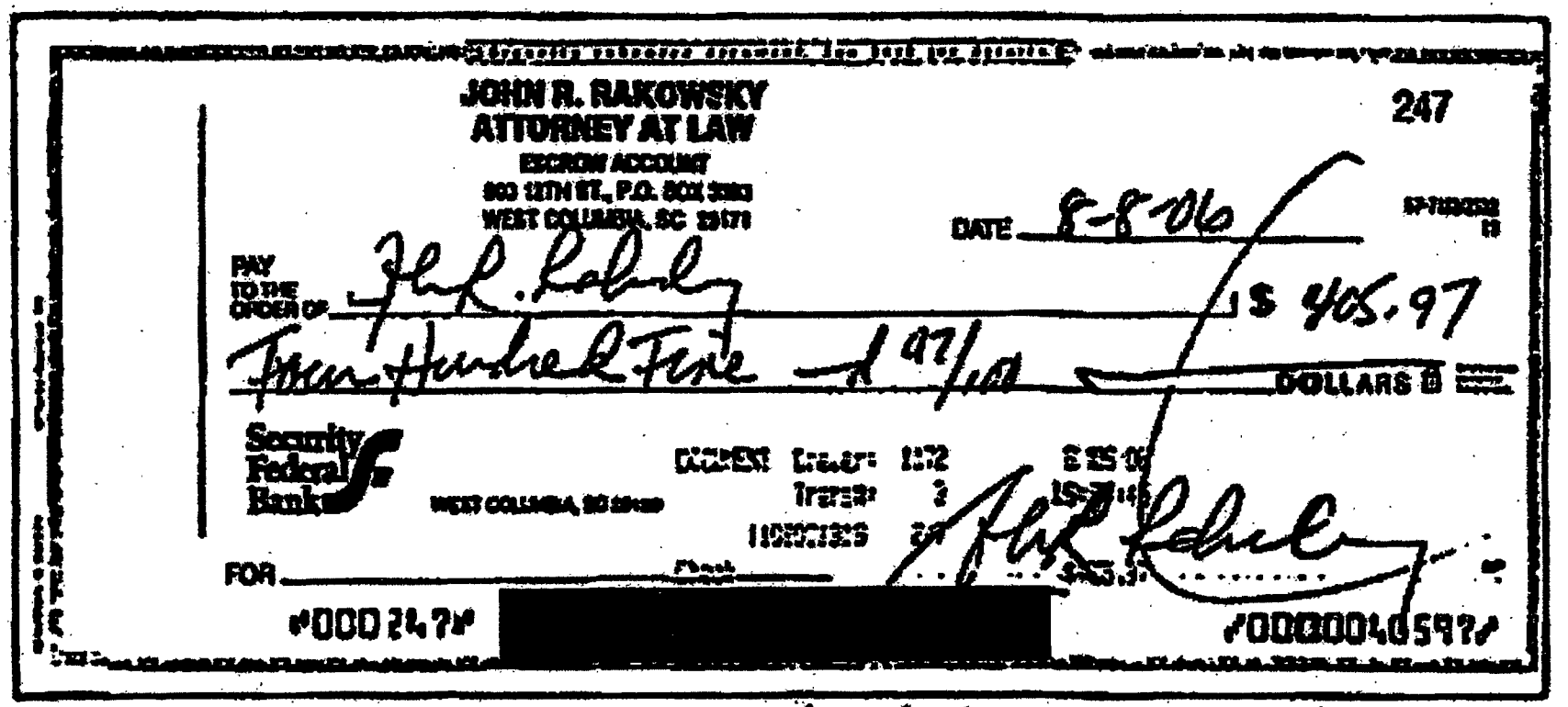
Security Federal Bank
WEST COLUMBIA, SC 29169

FOR [redacted]

⑈000233⑈ [redacted] ⑈0000100000⑈

Ck# 233 Date 06/05/06 Amt $1,000.00

MTB0086



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC [redacted]

247

DATE 8-8-06

PAY TO THE ORDER OF J.R. Rakowsky $ 405.97

Four Hundred Five 97/100 DOLLARS

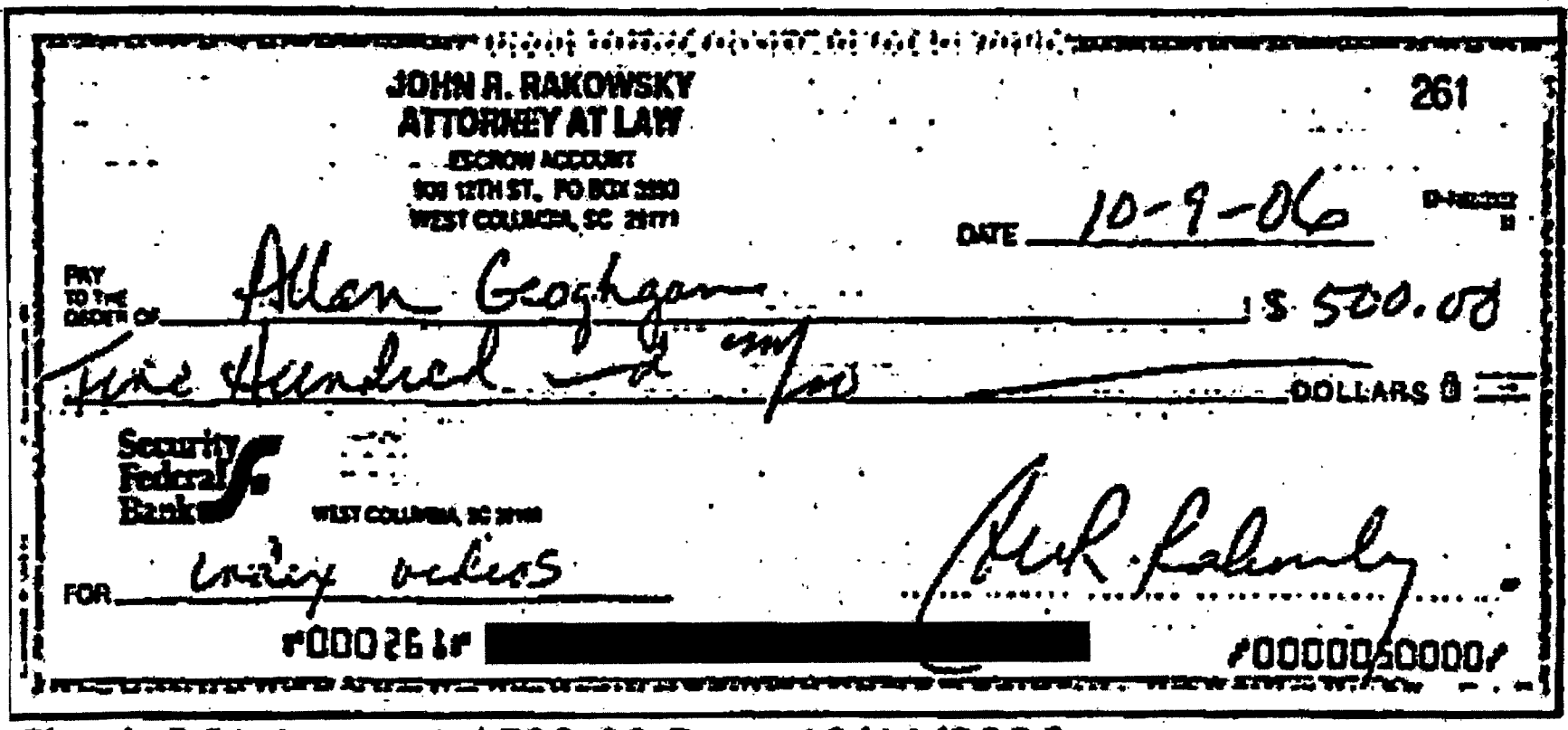
Security Federal Bank
WEST COLUMBIA, [redacted]

FOR [redacted]

⑆000247⑆ [redacted] ⑈000040597⑈

Ck# 247 Date 08/09/06 Amt $405.97

ATTB0087



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC [redacted]

261

DATE 10-9-06

PAY TO THE ORDER OF Allen Geoghegan $ 500.00

Five Hundred and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC [redacted]

FOR Utility bills

[redacted]

⑈000261⑈ [redacted] ⑈000050000⑈

Check 261 Amount $500.00 Date 10/11/2006

MTB0088

261

DATE

TO

FOR

TAX DEDUCTIBLE

DEPOSITS

TOTAL

THIS CHECK

OTHER TRANS. +/-

BALANCE

Written Checks

Written Checks

51781

MTB0089

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., PO BOX 2553
WEST COLUMBIA, SC 29171

287

DATE 12-15-06

PAY TO THE ORDER OF James Spencer $ 750.00

Seven Hundred Fifty and 00/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

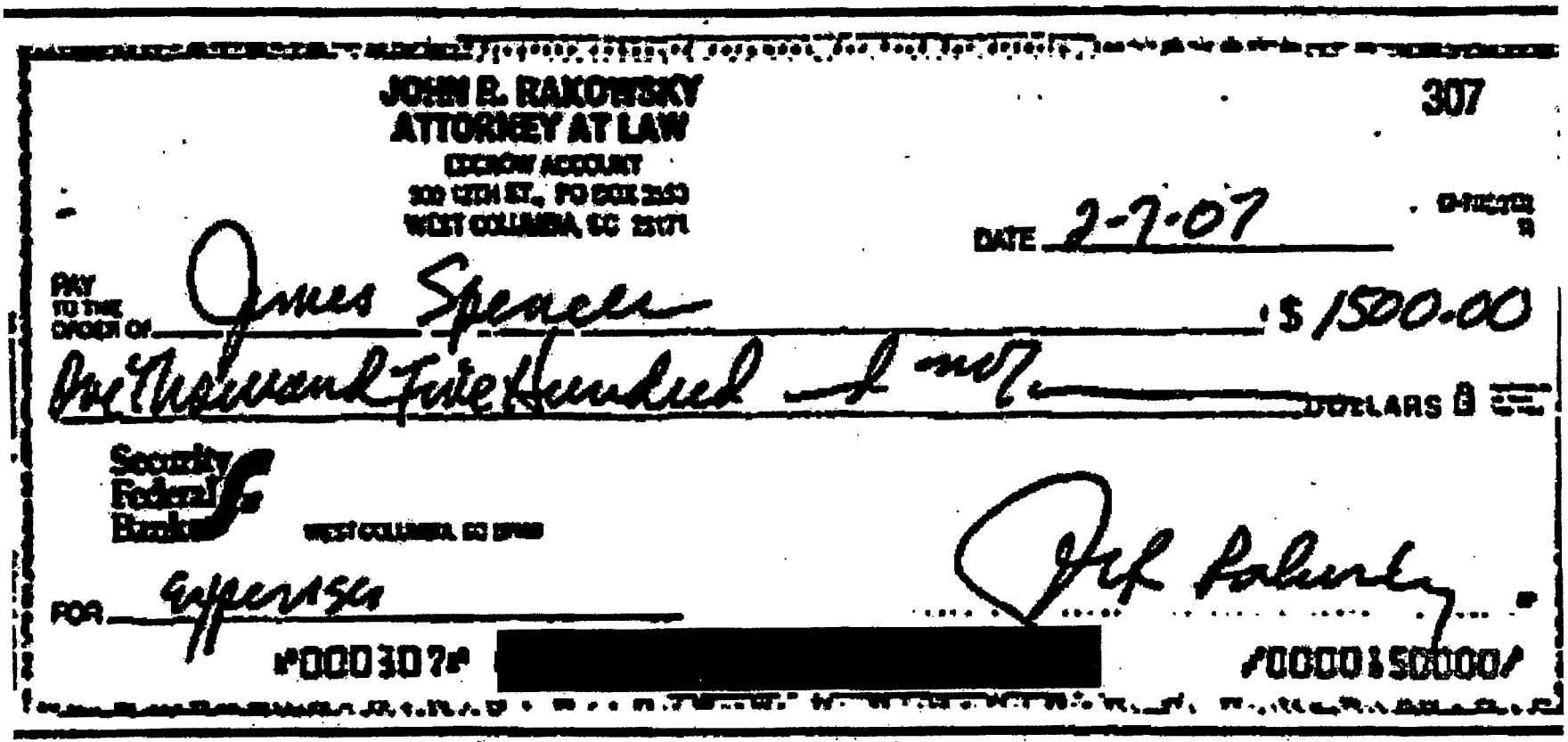
John R. Rakowsky

FOR

⑈000287⑈ [redacted] ⑈000075000⑈

Check 287 Amount $750.00 Date 12/20/2006

MTB0091



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
300 12TH ST., PO BOX 253
WEST COLUMBIA, SC 29171

307

DATE 2-7-07

PAY TO THE ORDER OF James Spencer $ 1500.00

One Thousand Five Hundred 1 no/100 DOLLARS

Security Federal Bank WEST COLUMBIA, SC 29169

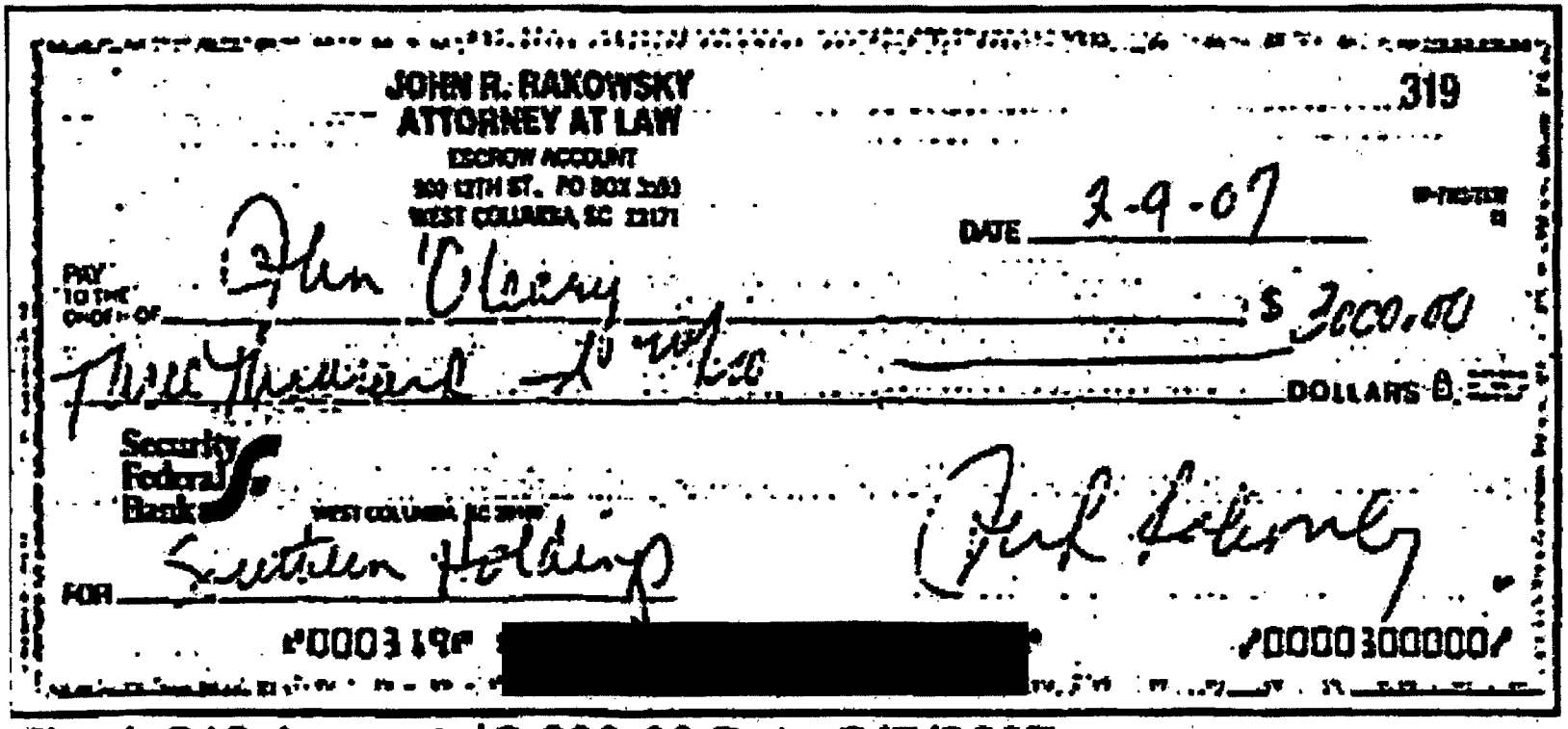
FOR Expenses

John Rakowsky

⑈000307⑈ [redacted] ⑈0000150000⑈

Check 307 Amount $1,500.00 Date 2/9/2007

MTB0092



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]

319

DATE 3-9-07

PAY TO THE ORDER OF John O'Leary $ 3000.00

Three Thousand & no/100 DOLLARS

Security Federal Bank

FOR Section Holding

[redacted]

Check 319 Amount $3,000.00 Date 3/5/2007

MTB0093

O'LEARY
ASSOCIATES, P.A.

JOHN A. O'LEARY, ATTORNEY

February 15, 2007

John Rakowsky
P.O. Box 3593
W. Columbia, SC 29171

RE: Possible Expert Testimony

Dear Mr. Rakowsky:

Enclosed is Mr. O'Leary's current curriculum vitae. I hope this will be of help to you in determining his qualification for your specific needs.

Also enclosed are two copies of our fee schedule. If you determine you wish assistance in this matter, please sign and return the green copy of the fee schedule along with the $3,000.00 retainer and any further materials for review.

Thank you for the opportunity to be of assistance. If you have any questions or if we may be of any assistance, please do not hesitate to call.

Sincerely,

Cricket Katsos
Legal Assistant

/ck
Enclosures

O'LEARY
ASSOCIATES, P.A.

JOHN A. O'LEARY, ATTORNEY

FEE SCHEDULE AND EXPENSE POLICY

File Review and Opinion:

An initial retainer fee of $3,000.00 is required for all work including file review, preparation of testimony, research, reports, assistance in the preparation of deposition questions, assistance in answering interrogatories, etc. Review will begin upon receipt of retainer and signed cop of this Fee Schedule and Expense Policy. All hours expended over and above 20 hours will be billed to the retaining law firm at an hourly rate of $150 per hour.

Trial Testimony and Site Inspection Fee:

Local site inspection or trial testimony within a fifty (50) mile radius of Columbia, South Carolina - $1,000. No expense charges.

Trial testimony or site inspection outside a fifty (50) mile radius of Columbia, South Carolina - $1,000 per day ($2,000.00 minimum), plus all travel expenses.

Depositions:

Depositions and video depositions in Columbia, South Carolina - $1,000. No expense charges.

Depositions and video depositions outside Columbia, South Carolina - $1,000 per day ($2,000.00 minimum), plus all travel expenses.

Travel Expenses:

Tourist class airline tickets to be pre-paid by retaining law firm or agency to O'Leary and Associates. Prepaid tickets should be furnished at the airline ticket counter at the Columbia Metropolitan Airport, or arrangements made with the travel agency retained by O'Leary and Associates in Columbia, South Carolina. Rental cars and taxi service will be billed to the law firm requesting the services of O'Leary and Associates.

Hotel accommodations, if possible, should be arranged for and billed directly to the law firm or agency retaining the services of O'Leary and Associates.

Phone Expenses:

All phone calls, conference calls, etc., will be billed to the law firm or agency retaining of the services of O'Leary and Associates.

Payment Policy:

Initial retainer for file review and opinion should accompany the first set of papers. Deposition fees and site inspection fees are expected prior to the taking of deposition. **All fees are non-refundable.**

I Accept: _____

2008 Lincoln Street • Columbia, South Carolina 29201 • Phone: 803-779-5556 • Fax: 803-252-7515

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[illegible] 12TH ST., PO BOX [illegible]
WEST COLUMBIA, SC 29171

325

DATE 3-1-07

PAY TO THE ORDER OF Forensic Tape Analysis Inc $ 900.00

Nine Hundred & no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR Southern Hearing rep

John R. Rakowsky

[illegible] 04.06 ⑈000325⑈ [redacted] ⑈000090000⑈

Check 325 Amount $900.00 Date 3/8/2007

MTB0096

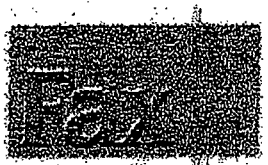


Forensic Tape Analysis, Inc.

Steve Cain MFS
President/C.E.O.
Forensic Scientist

C/O Steve Cain
6242 Jones Rd
Burlington WI 53105

Michael R Chial, PhD
University of Wisconsin
Board of Directors



FTA #: 04-016

Date: 2/27/07

To: John R Rakowsky
Phone: 803-331-5757
Fax: 803-794-2788

From: Forensic Tape Analysis
Phone: 262-348-1313
Fax: 262-348-0037

***Evidence Mailing: Forensic Tape Analysis Inc
6242 Jones Rd
Burlington WI 53105

Attorney Rakowsky,

Please find attached an invoice for the upcoming telephone deposition with Steve Cain.

Feel free to contact our office with any additional questions or concerns.



Forensic Tape Analysis, Inc.

Steve Cain MFS
President/C.E.O.
Forensic Scientist

C/O Steve Cain
6242 Jones Rd
Burlington WI 53105

Michael R Chial, PhD
University of Wisconsin
Board of Directors

February 27, 2007

John R. Rakowsky
1015 Center St
West Columbia, SC 29169

FTA Case File No.: 04-016
Re: Southern Holdings et al. vs Horry County et al.

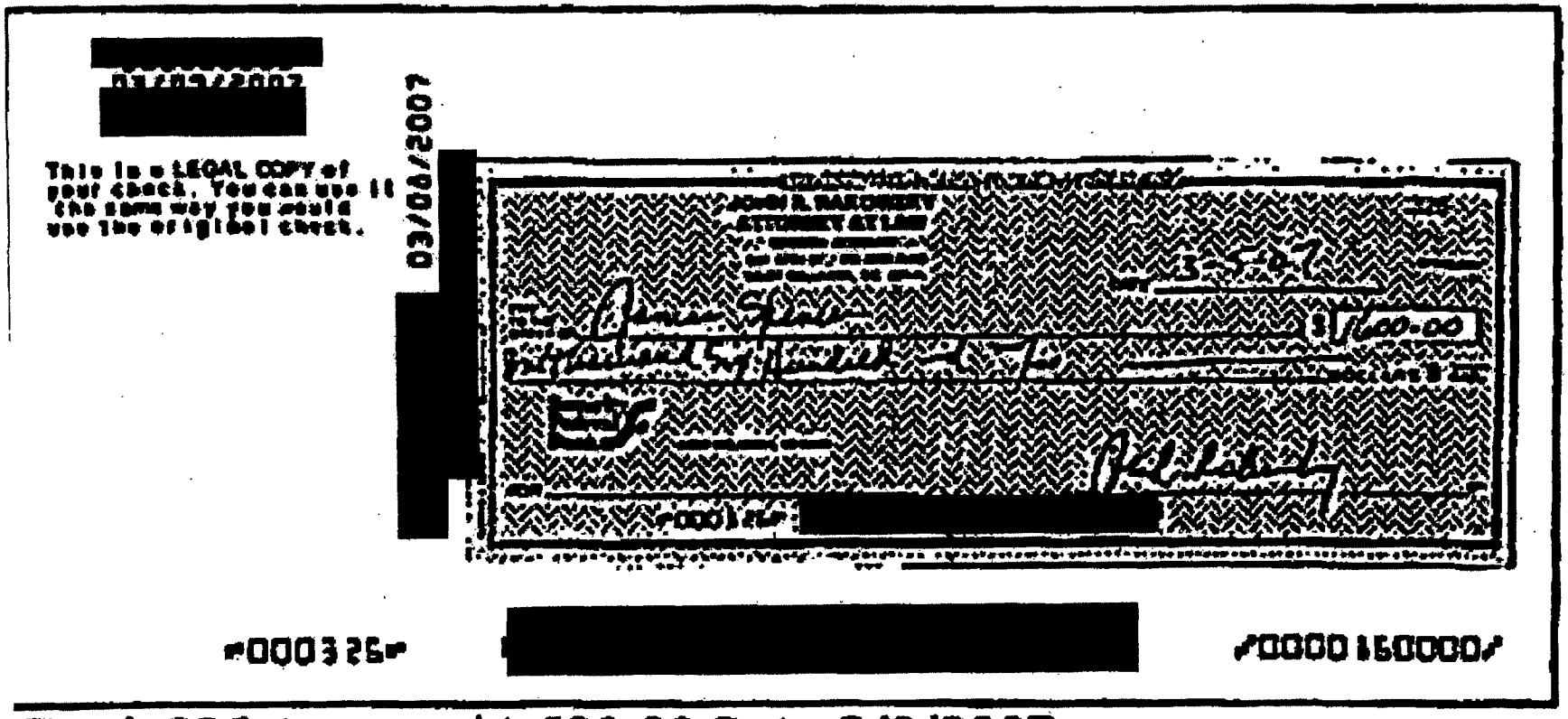
Invoice

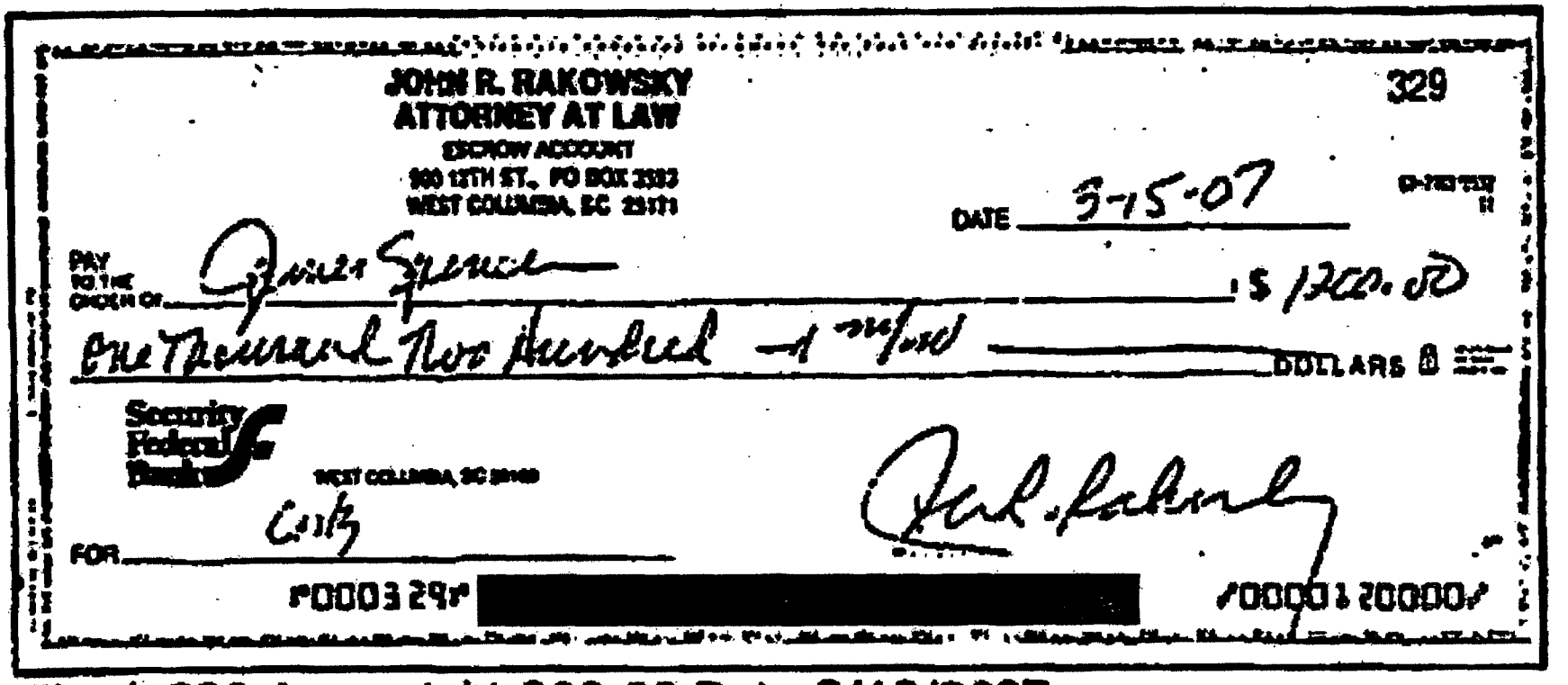
Date	Description	Amount
3/06/2007	**Telephone Deposition** *½ day @ $1,500.00 per ½ day* Telephone deposition to take place at FTA's lab in Burlington, WI.	$ 1,500.00
3/05/2007	**Pre-Deposition Preparation** *3 hours @ $300.00 per hour* Review of entire case file prior to deposition.	$ 900.00
Total:		**$ 2,400.00**

Please Note: Invoice must be paid in full and received by our office no later than Friday, March 2nd in order to ensure Steve Cain's availability March 6th.

Please remit to:
Forensic Tape Analysis, Inc.
6242 Jones Road
Burlington, WI 53105

Federal ID #26-0021725


[redacted]
This is a LEGAL COPY of your check. You can use it the same way you would use the original check.
03/09/2007
[redacted]
[redacted]
[redacted]



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
900 12TH ST., PO BOX 3383
WEST COLUMBIA, SC 29171

329

DATE 3-15-07

PAY TO THE ORDER OF Quinn Spence $ 1200.00

One Thousand Two Hundred + no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

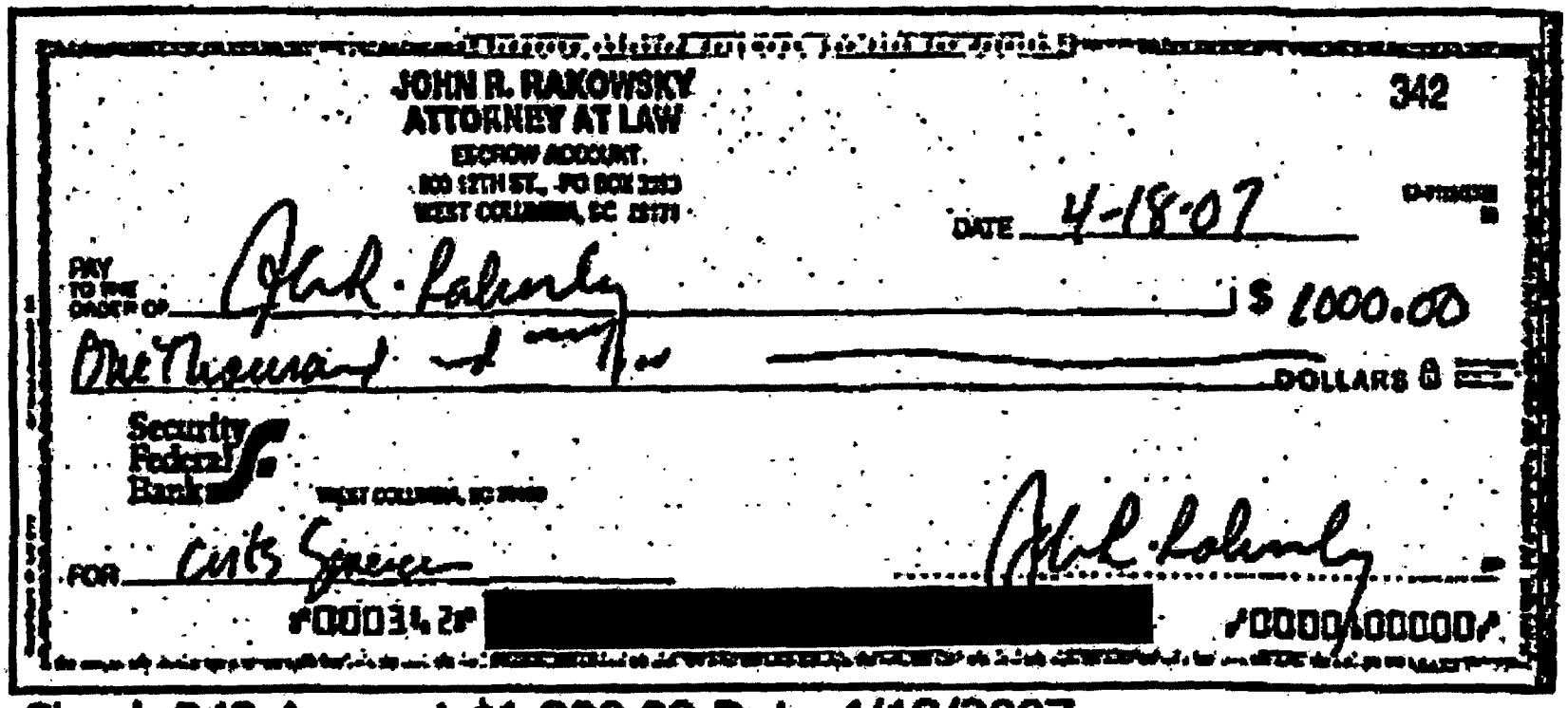
FOR Costs

John R. Rakowsky

⑈000329⑈ [redacted] ⑈000120000⑈

Check 329 Amount $1,200.00 Date 3/19/2007

MTB0100



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., PO BOX 2263
WEST COLUMBIA, SC 29171

342

DATE 4-18-07

PAY TO THE ORDER OF Jack Rakowsky $ 1000.00

One Thousand and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR Cat's Spaces

Jack Rakowsky

⑈000342⑈ [redacted] ⑈000100000⑈

Check 342 Amount $1,000.00 Date 4/18/2007

MTB0102

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[illegible]
WEST COLUMBIA, SC [illegible]

357

DATE 5-8-07

PAY TO THE ORDER OF AL Connor $ 800.00

Eight Hundred 1 no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC [illegible]

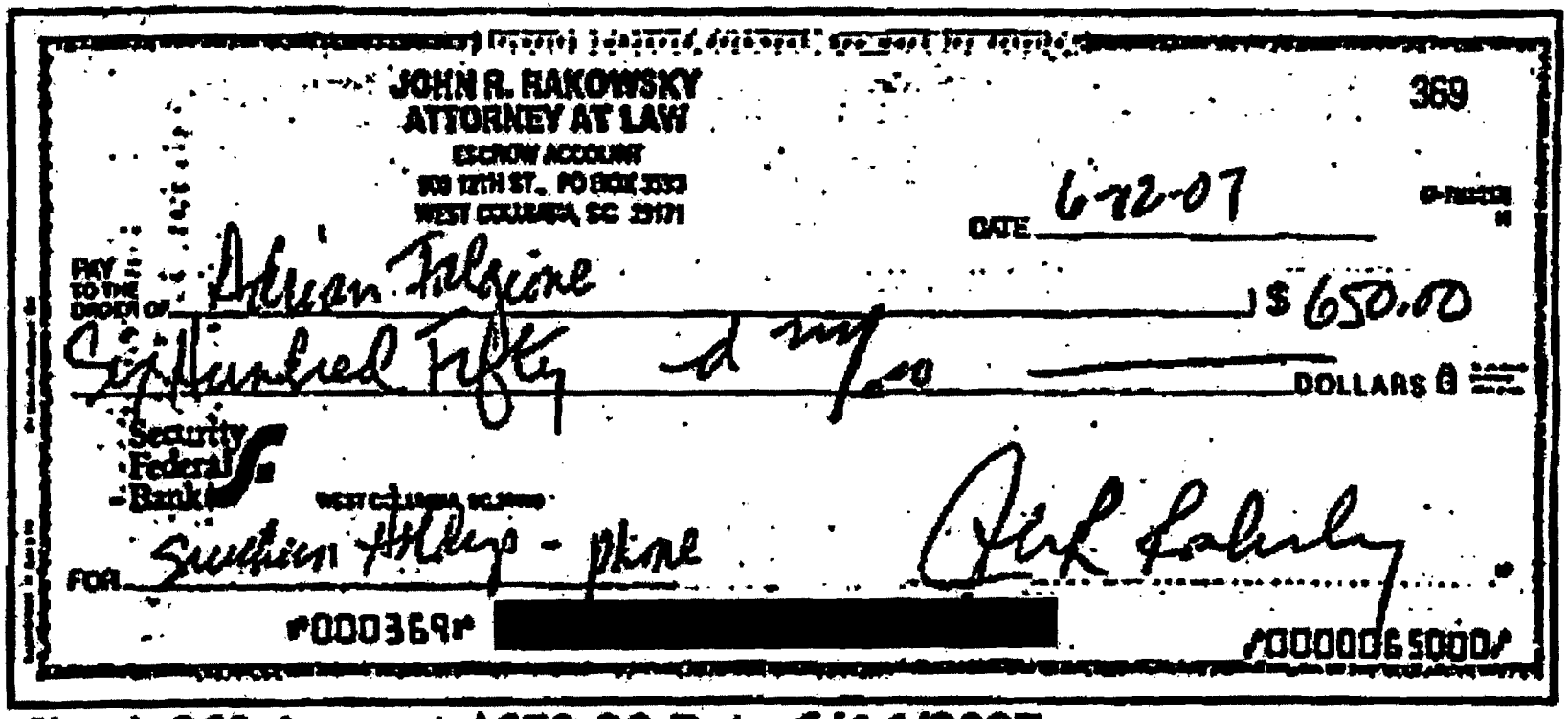
FOR Deposition fee

[illegible]

#000357# [illegible] #0800[illegible]# #00000800000#

Check 357 Amount $800.00 Date 5/17/2007

MTB0103



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC 29171

369

DATE 6-12-07

PAY TO THE ORDER OF Allison Falgione $ 650.00

Six Hundred Fifty and 00/100 DOLLARS

Security Federal Bank

FOR Section 8 Holdings - Pkwy

Rick Rakowsky

⑈000369⑈ [redacted] ⑈000065000⑈

Check 369 Amount $650.00 Date 6/14/2007

MTB0104

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]

09190 582 D 376

DATE 6/25/07

PAY TO THE ORDER OF Southern Reporting $ 283.40

Two Hundred Eighty Three & 40/100 DOLLARS

Security Federal Bank 250 PR1

FOR 4-07-1859-RBH

⑈000376⑈ [redacted] ⑈000028340⑈

Check 376 Amount $283.40 Date 7/3/2007

MTB0105

701 Gervais St., Ste. 150-285
Columbia, SC 29201
Southern Reporting, Inc.

2002 - 2007
5
YEARS OF EXCELLENCE
Southern Reporting

John R. Rakowsky
John R. Rakowsky
900 12th street
West Columbia, SC 29171

Invoice Date	Invoice #
3/29/2007	280PR1

Job Date/Time: 2/27/2007 9:00:00 AM
Case: Southern Holdings, et al. v. Horry County, et al.
Witness: John Allen O'Leary, Esq.
Venue:
Case #: 4-02-1659-RBH
Reporter(s): Stephen Tackett
Scheduled By: Summer Strickland

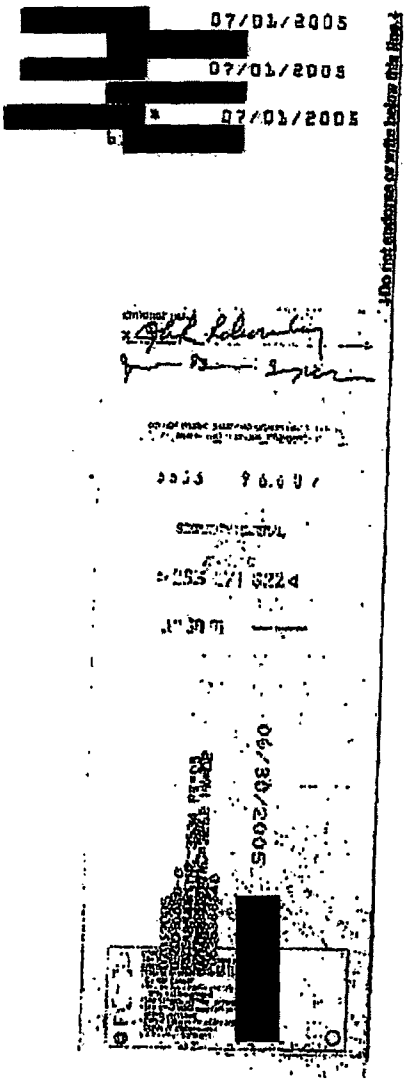
Item	Description	Each	Quan	Total
TC	Copy of Transcript - O'Leary	$1.95	136	$265.20
EBW	Exhibits - Black and white	$0.35	52	$18.20
CI	Condensed and index (with transcript order) - No c	$0.00	1	$0.00
ET	E-Transcript (with transcript order) - No charge	$0.00	1	$0.00
ASCII	ASCII (with transcript order) - No charge	$0.00	1	$0.00
D	Delivery	$0.00	1	$0.00

Sub Total	$283.40
Payments	$0.00
Balance Due	$283.40

Please include invoice number on check.
Thank you for your business!

MTB0106

Attachment "Three"
1 of 3



Security Federal Bank

P.O. BOX 810 • AIKEN, SOUTH CAROLINA 29802

Date 6/30/05 Page 1
Primary Account [redacted]
Enclosures 2

JOHN R RAKOWSKY ATTORNEY AT LAW
IOLTA
PO BOX 3593
WEST COLUMBIA SC 29171

SUMMARY:

ACCOUNT NUMBER	ACCOUNT TITLE	CURRENT BALANCE	ENCLOSURES
[redacted]	PROPRIETORSHIP CKG	66,261.12	2

PROPRIETORSHIP CKG
Account Number [redacted]
Previous Balance
3 Deposits/Credits
3 Checks/Debits
Service Charge
Interest Paid
Current Balance

Number of Enclosures 2
Statement Dates 6/01/05 thru 6/30/05
Days in the statement period 30
Average Ledger [redacted]
Average Collected
Interest Earned
Annual Percentage Yield Earned
2005 Interest Paid

ACTIVITY IN DATE ORDER

[redacted]	[redacted]	[redacted]	[redacted]
6/21	WEB Deposit	42,500.00	42,508.50
6/30	Deposit	25,000.00	67,508.50
6/30	Check 157	1,250.00-	66,258.50

--- CHECKS IN NUMBER ORDER ---

DATE	CHECK NO	AMOUNT
6/30	157	1250.00

* DENOTES MISSING CHECK NUMBERS

INTEREST RATE SUMMARY

DATE	RATE
6/22	0.2500%

MTB0032

TRANSFER AND CONVEYANCE OF PROCEEDS AND SECURITY AGREEMENT

THIS TRANSFER AND CONVEYANCE OF PROCEEDS AND SECURITY AGREEMENT (the "Agreement") is made this 5th day of June, 2005, by and between RESOLUTION SETTLEMENT CORPORATION ("Transferee"), a Nevada Corporation, and SOUTHERN HOLDINGS, JAMES SPENCER ET AL ("Transferor"), whose address is: C/O John Rakowsky Esq. Attorney of Record; PO Box 3593 West Columbia, SC 29171 Tel: 803 331-2788.

RECITALS

WHEREAS, Transferor has a claim against and/or is a plaintiff in an action or suit (whether a claim, action or suit, the "Litigation") now pending before the United States District Court; district of South Carolina (Civil Action 4 02 1859 12;(the "Defendant"), whose various insurance carriers are defending such Litigation, arising out of an act of negligence, accident or other incident occurring on or about June 1, 2000 in which the Defendants damaged the Transferor with false arrest, personal injury and other torts. A brief description of the Litigation is attached and identified as Schedule C.

WHEREAS, Transferor does not have sufficient funds to proceed with the Litigation, has no asset against which to borrow, and has sought funds from other sources but has been unable to find any.

WHEREAS, an undetermined amount of time will be required for Transferor to seek compensation from the Defendant(s) through continued legal action and/or negotiations to otherwise persuade or prevail upon the Defendant(s) to pay the Transferor an amount appropriate and necessary to compensate Transferor for the injuries incurred and/or damages suffered; and

WHEREAS, in order to afford Transferor sufficient funds to proceed with the Litigation, Transferee has agreed to accept certain proceeds which may arise from settlement or verdict resulting from the Litigation.

WHEREAS, Transferor desires to pursue the Litigation to such time that a fair and favorable settlement or judgment can be obtained.

WHEREAS, Transferee has made its own determination to make this advance and has not relied on any advice from Transferor's counsel regarding the merits, value, risk, or legitimacy of the Litigation.

NOW THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Transferee and Transferor do hereby agree as follows:

1. Transferor unconditionally and irrevocably transfers and conveys to Transferee all of Transferor's control, A RIGHT OF PROCEEDS which includes the right, title and interest in the first TWENTY FIVE THOUSAND DOLLARS ($25,000.00) paid to Transferor from the Proceeds, as hereinafter defined, or other recovery derived from the Litigation. Said amount shall, by agreement, increase by FOUR THOUSAND FIVE HUNDRED ($4,500.00) PER MONTH beginning on the first day of the month following the date of execution of this agreement, pursuant to the schedule attached hereto as Schedule A. The first months interest will accrue upon signing this agreement for purposes of an early settlement payment, however the second month will begin on August 1, 2005 and increase as stated the first of each month thereafter.. For purposes of this Agreement, "Proceeds" shall be defined as the gross amount of the recovery from the Litigation, less Transferor's attorney's fees of approx. 40 % of any recovery, the actual costs of the Litigation advanced by Transferor's legal counsel on Transferor's behalf, and any other prior superior assignments, liens, encumbrances or security interests of any kind or nature in or relating to the Proceeds as provided for in Schedule B hereto, if any.

2. Transferor hereby grants to Transferee a security interest in the Proceeds of the Litigation in the sum of TWENTY FIVE THOUSAND DOLLARS ($25,000.00) plus any and all increases pursuant to Schedule A hereto, in order to secure the conveyance, subject to the terms and conditions of this Agreement.

3. This agreement is expressly intended to transfer, convey and relinquish control over only a specified portion of the Proceeds that may flow from, and as a result of the Litigation referred to above. This agreement is not an assignment, nor a purchase of any right, chose in action, cause of action, or claim which Transferor may have or possess as against any responsible party, respondent or defendant referred to herein. Transferee contemplates no control, input, influence, right or involvement of any kind regarding any claim, right, or interest of Transferor in the Litigation.

4. This agreement, and the obligation to pay over the Proceeds specified herein is totally contingent, speculative and without recourse on the part of Transferee, except for the security interest in the Litigation, and any successor claim(s) and/or litigation(s) arising out of the same facts, or arising out of the conduct of the Litigation. If there is no recovery of Proceeds by Transferor as specified herein, then Transferee shall receive NOTHING.

5. Transferor hereby authorizes Transferee to send to the applicable insurance company a "Notice of Lien", so that Transferor may perfect its lien against the subject claim. (An example is attached hereto as Schedule "E"). Transferor represents that the applicable insurance company(ies) is (are) as follows:

_____

6. Transferor shall, and does hereby require and direct his/her attorney(s) to execute this Agreement. By execution hereof, Transferor's attorney(s) acknowledges receipt of, and actual notice of this Agreement and agrees to disburse the Proceeds as set forth herein above.

7. All parties to this agreement acknowledge that by execution hereof, Transferor's attorney is solely and merely following Transferor's instructions. Transferor's attorney is making neither representation nor guarantee, inferred, expressed or implied; concerning either merits or value of the claim(s) or litigation matter(s) referred to herein to ANY PARTY. Further, all parties to this agreement acknowledge that Transferor's attorney assumes no affirmative duties herein other than the ministerial obligations of disbursement, and conveying information contained herein.

8. If Transferor changes his/her attorney(s) after signing this Agreement, Transferor and Transferor's attorney each shall give immediate written notice, by certified mail return receipt requested, to Transferee at **9360 W. Flamingo Rd. Suite 110-527, Las Vegas, NV 89147**, of the identity, address and phone numbers of Transferor's new attorney(s). Transferor further agrees to require and to direct any new attorney(s) to execute and acknowledge this Agreement.

9. Transferor hereby authorizes his attorney(s) to release to Transferee any information, files, records, documents regarding the Litigation requested by Transferee, who agrees to treat such information as privileged and who shall receive and review these materials solely in the limited capacity necessary for this Agreement.

10. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, covenants or obligations except as set forth herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, of the parties hereto, relating to any transaction contemplated by this Agreement. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns. In the event any one or more of the covenants, terms and conditions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, liability or enforceability of any other covenant, term or condition in this Agreement.

11. Transferor represents and warrants unto Transferee that as of the date of this Agreement that (a) Transferor believes the Litigation to be meritorious and filed in good faith; (b) Transferor has complete right, title and interest in and to the Litigation and full power and authority to make and execute this Agreement; (c) Transferor has not and will not assign or encumber the Proceeds from the Litigation, except as otherwise provided herein; and (d) there is no other assignment, lien, encumbrance or security interest of any kind or nature in or relating to the Proceeds other than is provided for in Schedule B hereto, if any.

12. Transferor intends this agreement to be fully valid and binding as to and upon all heirs, trustees, executors, or any other successor-in-interest who may obtain or assert control over the Litigation by reason of Transferor's death, disability, or decline in health such that someone other than Transferor is, or becomes entitled to make decisions concerning the disposition of the Litigation, or any of the proceeds thereof. Further, by executing this agreement, Transferor intends to exercise any Power of Appointment with which Transferor is empowered to the extent necessary to complete the Transfer that is the subject of this agreement.

13. This Agreement shall be construed and interpreted in accordance with the laws of Nevada and venue for any dispute arising hereunder (including any interpleader action) shall lie in the 8th Judicial District Court for Clark County, Nevada. Transferor agrees that any and all Federal

lawsuits related to or arising from this agreement shall be filed and maintained in the Federal Courthouse located in Las Vegas, Nevada. Transferor understands that the "choice of laws", "forum", and "venue" clauses contained herein are critical in nature, and are essential to this Contract, and that they have not been placed in this contract as mere "form" insertions and recitals.

14. If a dispute between the parties to this Agreement arises, the parties agree and acknowledge that all funds in dispute shall be interplead into the Nevada courts until such time said dispute is resolved.

15. Transferor has been advised to have not only his/her counsel, but also outside counsel, review this agreement prior to Transferor's signing it.

16. Transferor has been advised that Transferee is a provider of funds of **last resort** and that other sources may have more favorable rates and payment schedules.

17. Transferee has answered all of Transferor's questions.

18. Transferor acknowledges that Transferee will, in the event that Transferor should make a recovery, make a substantial profit from this advance.

19. Transferor acknowledges that this contract has been drafted by both Transferor and Transferee, and is made a part of this entire transaction.

20. Transferor understands that the attached Schedule A, Schedule B, Schedule C, Schedule D, and Schedule E are each hereby made a part of this agreement.

21. Transferor acknowledges that the Transferee advised Transferor to **take no fewer than three (3) days** to consider the terms contained in this agreement before signing it. Transferor acknowledges that he/she signed this agreement after taking 5 days to consider the terms contained herein.

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials

WITNESS the following signatures and seals:

TRANSFEROR:

I, James Brian Spencer, the undersigned person (Transferor), agree to the foregoing *Transfer and Conveyance of Proceeds and Security Agreement.*

x J. B. Spencer 6/22/05
Transferor Date

State of South Carolina
County of Lexington

This instrument was acknowledged before me on June 22, 2005 *(date) by* James B. Spencer *(Transferor).*

(Notary Stamp)

John Rakowsky
(Signature of notarial officer)

My Commission expires: 7/22/14

ATTORNEY FOR TRANSFEROR:

I, John Rakowsky, ("Attorney") attorneys for Transferor, have read this agreement in its entirety, understand it, and agree to abide by the directives of my client as contained therein. In the event a dispute arises between the parties pertaining to the funds at issue herein, I agree to interplead said funds to the applicable court until said dispute is resolved. I agree to distribute any Proceeds of the Litigation in accordance with the terms of the Agreement. In the event that I cease representing the Transferor at any time, I will immediately give written notice via certified mail, return receipt requested, to Transferee at 9360 W. Flamingo Rd. Suite 110-527, Las Vegas, NV 89147. By execution hereof, I am only following the instructions of Transferor. I make no statement, render no opinion, and proffer no guarantee as pertains to the possibility of recovery of some or any Proceeds as a result of the Litigation. By the execution hereof, I assume no duties or obligations to Transferee other than the ministerial duties of disbursement and of furnishing requested information as specifically outlined herein. Any and all proceeds from the Litigation will be paid into my trust account for disbursement per this agreement.

x John Rakowsky 6/22/05
Attorney Date

TRANSFEREE:

I, _____, an authorized representative ("Representative") of the Transferee, agree to the foregoing *Transfer and Conveyance of Proceeds and Security Agreement* on behalf of the Transferee.

_____ _____
Representative Date

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials JBS

SCHEDULE A

Schedule of Increases to Amount of Transferred Proceeds

The amount owed will increase by FOUR THOUSAND FIVE HUNDRED ($4,500.00) on the first day of every month, with a minimum payment at signing of a one month fee. Examples of the monthly payoffs are as follows:

At signing 2005	$29,500.00
Aug. 2005	$34,000.00
Sept. 2005	$38,500.00
Oct. 2005	$43,000.00
Nov. 2005	$47,500.00
Dec. 2005	$52,000.00
ETC	

This Schedule shows the monthly payoffs for the first twelve months of the advance. The payoff will continue to increase by FOUR THOUSAND FIVE HUNDRED DOLLARS ($4,500.00) on the first day of every month until paid, based on the terms of this contract.

Corporate Office
702-736-8863 Phone
702-736-8621 Fax

Transferor's Initials

SCHEDULE B

Liens

Transferor's Attorney:	John Rakowsky Esq.
Address:	PO Box 3593
Telephone:	West Columbia, SC 29171 803 791-8830
Fax	803 794-2788
Attorney's Fee	40%

Holders of Medical Liens N/A_____ Amount $_____

_____ _____

_____ _____

_____ _____

Holders of Other Superior Liens or Encumbrances: N/A_____ Amount $_____

_____ _____

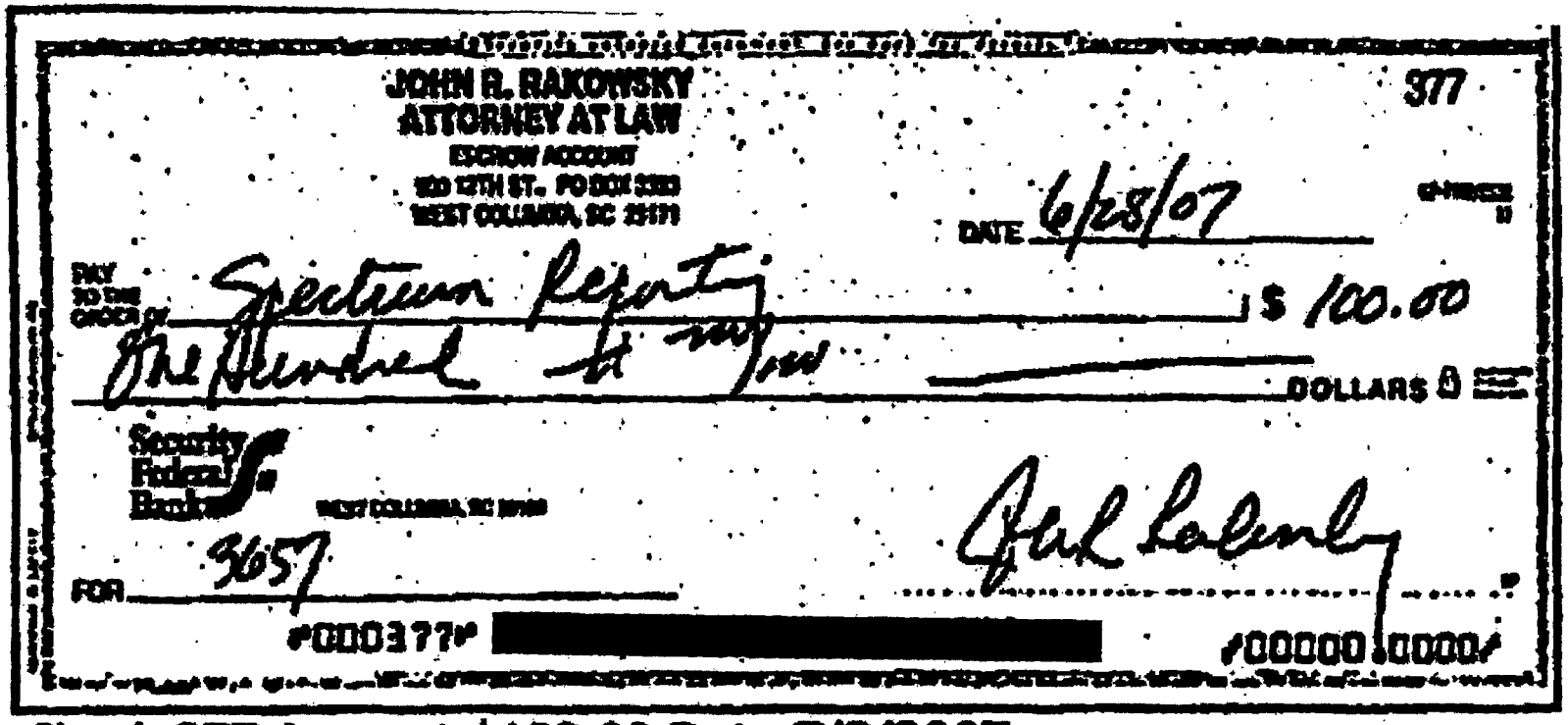
_____ _____

_____ _____

I know of no other liens, claims or encumbrances upon the Litigation other than those listed on this page.

John R. Rakowsky
Attorney for Transferor

6/22, 20 05
Date



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]

377

DATE 6/28/07

PAY TO THE ORDER OF Spectrum Reporting $ 100.00

One Hundred & no/100 DOLLARS

Security Federal Bank [redacted]

FOR 3657

Jack Rakowsky

#000377# [redacted] #00000 00000#

Check 377 Amount $100.00 Date 7/3/2007

MTB0107

Spectrum Court Reporting, LLC
P.O. Box 1296
Mount Pleasant, SC 29465
843-849-0133 phone
843-849-0132 fax

Invoice

Date	Invoice #
6/4/2007	3657

Bill To	In The Matter Of:
Attorney at Law John R. Rakowsky, Esq. 900 12th Street West Columbia, SC 29169	Southern Holdings, et al -vs- Horry County, et al Case No: 4:02-CV-01859-RBH

[redacted] | Net 30

Date	Description	Deponent	Amount
5/7/2007	Reporting Time	Sheriff Al Cannon & Noel Herold	100.00

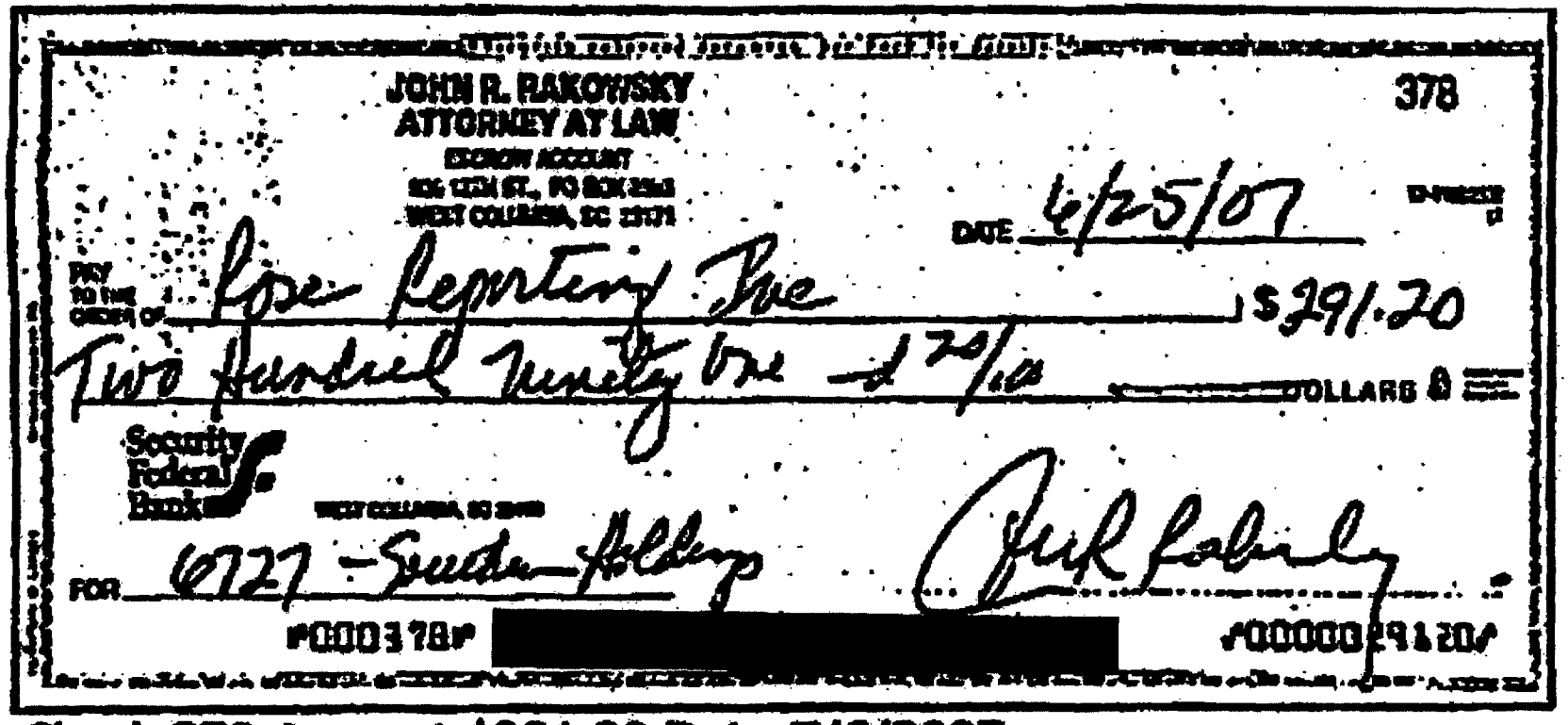
Thank you for choosing Spectrum!

Total $100.00

E-mail
SpectrumAAA@aol.com

#377

MTB0108



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]

378

DATE 6/25/07

PAY TO THE ORDER OF Lore Reporting Inc $291.20

Two Hundred Ninety One 20/100 DOLLARS

Security Federal Bank

FOR 6727 - Swede Hollow

#000378# [redacted] #000029120#

Check 378 Amount $291.20 Date 7/6/2007

MTB0109

Rose Reporting, Inc.

comprehensive court reporting services

2475 Brigger Hill Road * Wadmalaw Island, SC * 29487
(843) 559-4445 fax (843) 559-8700
email: rosereportingco@cs.com

March 29, 2007

Please make check payable to:

Rose Reporting, Inc.
2475 Brigger Hill Road
Wadmalaw Island, SC 29487

Federal Tax ID # [redacted]

Invoice #: 6727

TO: MR. JOHN ROBERT RAKOWSKY
P.O. Box 3593
West Columbia, SC 29171

IN RE: SOUTHERN HOLDINGS, INC. VS. HORRY COUNTY, SOUTH CAROLINA, et al.
CASE NO.: 4:025-CV-01859-RBH

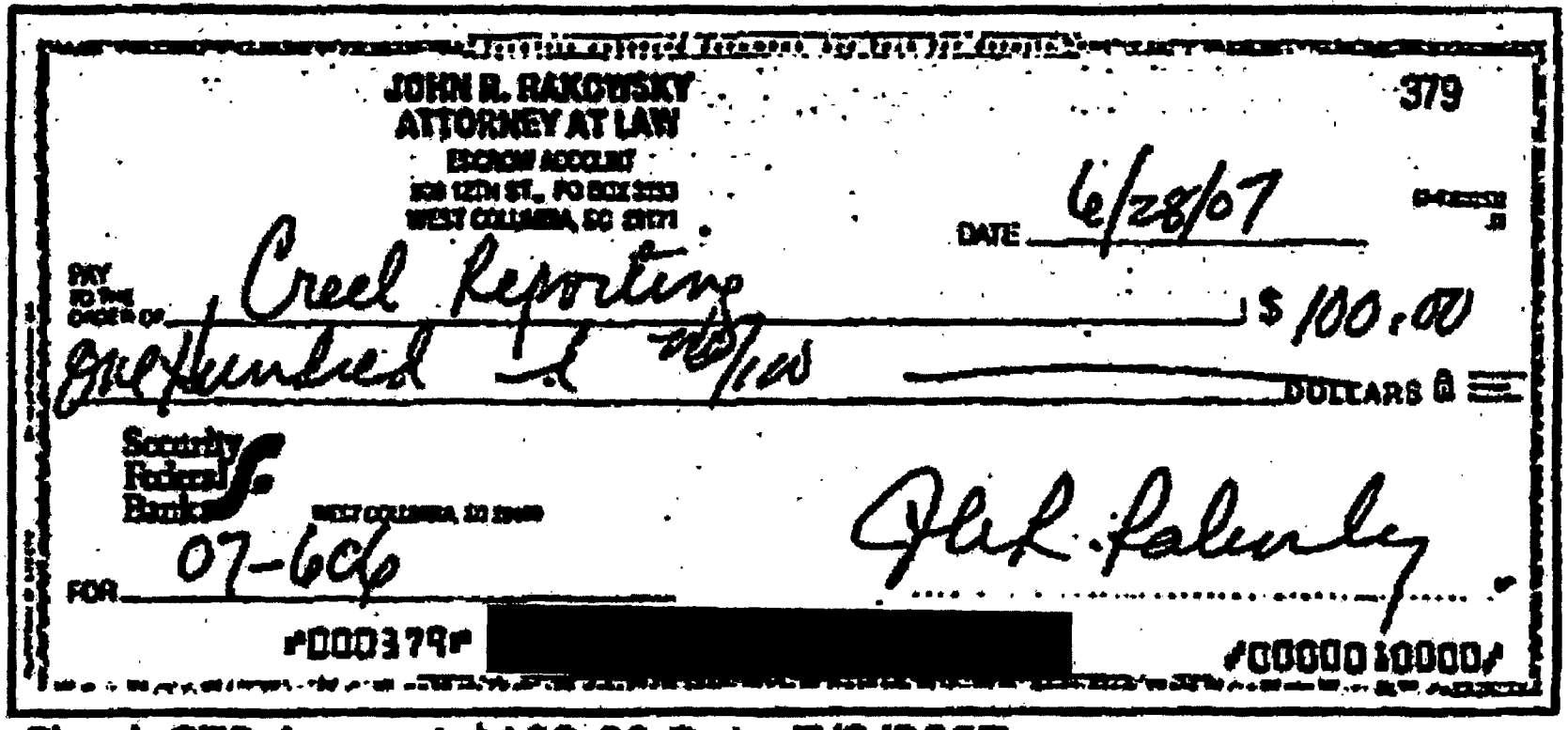
DEPONENT: STEVE CAIN, VOL. II
Date and time of deposition: 3-7-07 1:00

copy	235.20
exhibits	41.00
litigation pack & p&h	15.00
TOTAL	291.20

reporter
Helen L. Rose, RPR, CSR
NCRA South Carolina Chief Examiner

We appreciate the privilege of providing service to you!

MTB0110



JOHN R. RAKOVSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC [redacted]

379

DATE 6/28/07

PAY TO THE ORDER OF Creel Reporting $ 100.00

One Hundred & 00/100 DOLLARS

Security Federal Bank WEST COLUMBIA, SC [redacted]

FOR 07-666

John R. Rakovsky

#000379# [redacted] #00000 10000#

Check 379 Amount $100.00 Date 7/2/2007

MTB0111

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC [redacted]

380

DATE 6/25/07

PAY TO THE ORDER OF Spectrum Reporting $ 445.00

Four Hundred Forty Five and no/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC [redacted]

FOR 3529

John R. Rakowsky

⑈000380⑈ [redacted] ⑈000044500⑈

Check 380 Amount $445.00 Date 7/3/2007

MTB0112

Spectrum Court Reporting, LLC
P.O. Box 1296
Mount Pleasant, SC 29465
843-849-0133 phone
843-849-0132 fax

Invoice

Date	Invoice #
4/1/2007	3579

Bill To	In The Matter Of:
Attorney at Law John R. Rakowsky, Esq. 900 12th Street West Columbia, SC 29169	Southern Holdings, et al -vs- Horry County, et al Case No: 4:02-CV-01859-RBH

[redacted] | Net 30

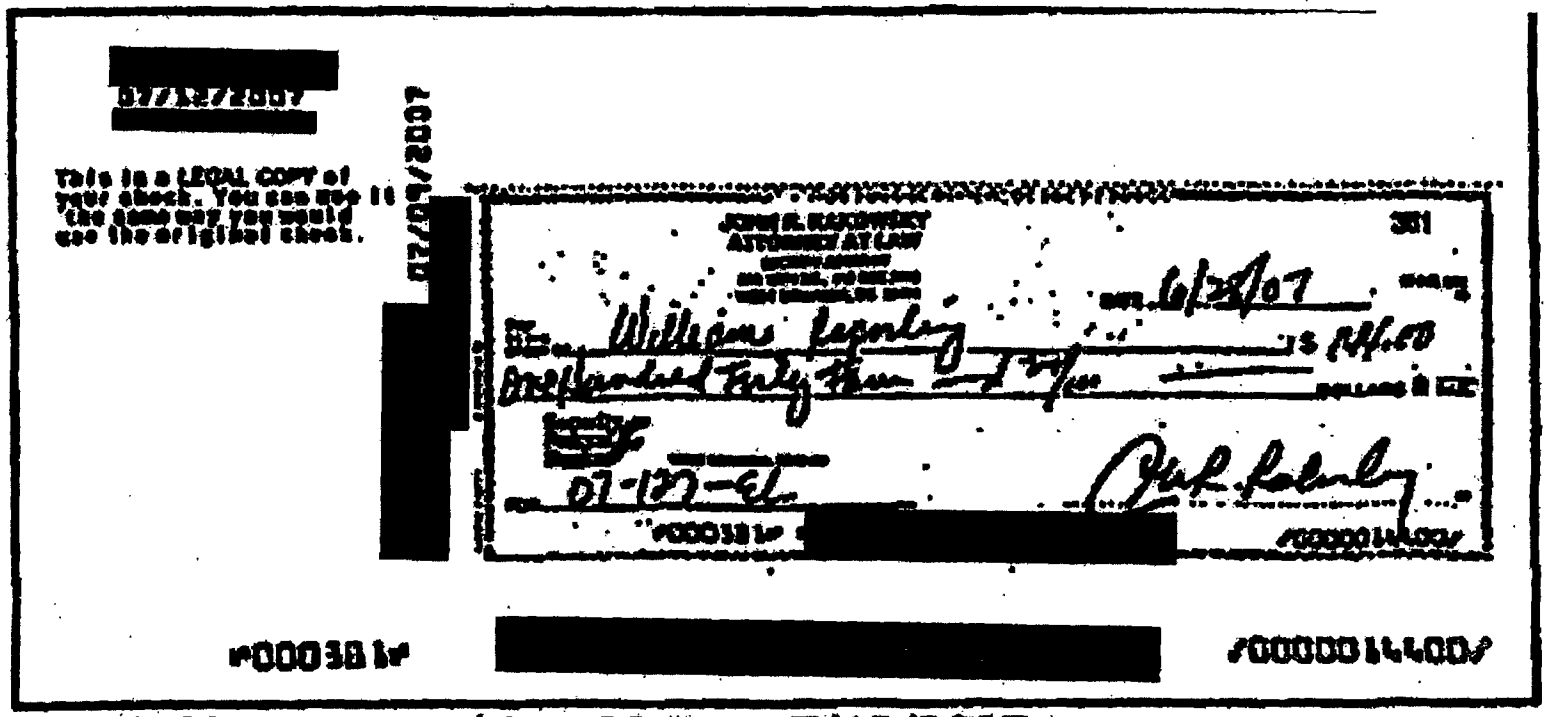
Date	Description	Deponent	Amount
3/6/2007	Copy of Transcript	Stephen Cain - Volume I	393.75
	Photocopies		36.25
	Shipping & Handling		15.00
	Condensed Transcript -No charge		0.00
	Keyword Index - No charge		0.00
	E-Transcript	Please E-mail your request for E-Transcript to SpectrumAAA@aol.com	0.00

Thank you for choosing Spectrum!

Total $445.00

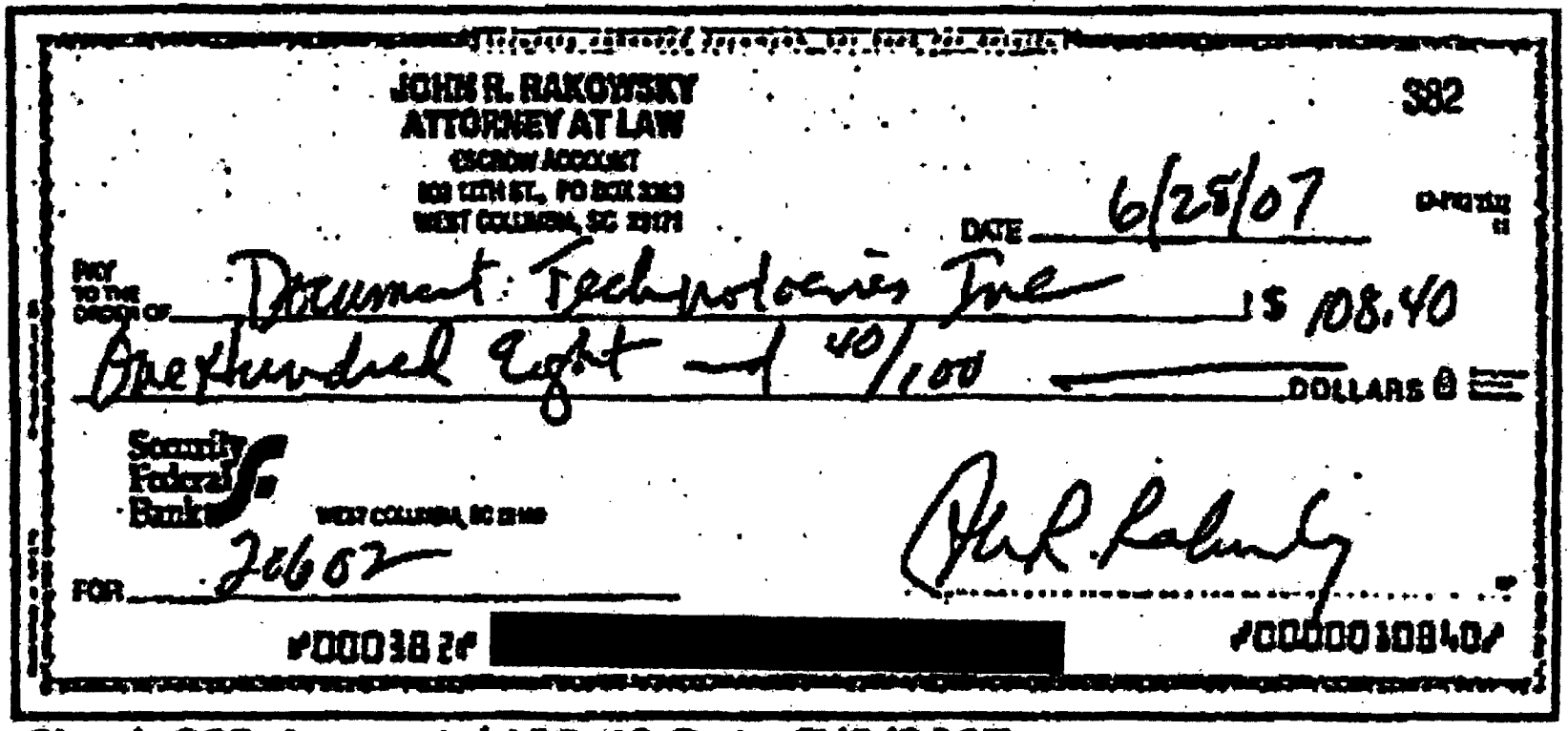
E-mail
SpectrumAAA@aol.com

MTB0113



Check 381 Amount $144.00 Date 7/12/2007

MTB0114



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
809 12TH ST., PO BOX 3363
WEST COLUMBIA, SC 29171

382

DATE 6/25/07

PAY TO THE ORDER OF Document Technologies Inc $ 108.40

One hundred eight 40/100 DOLLARS

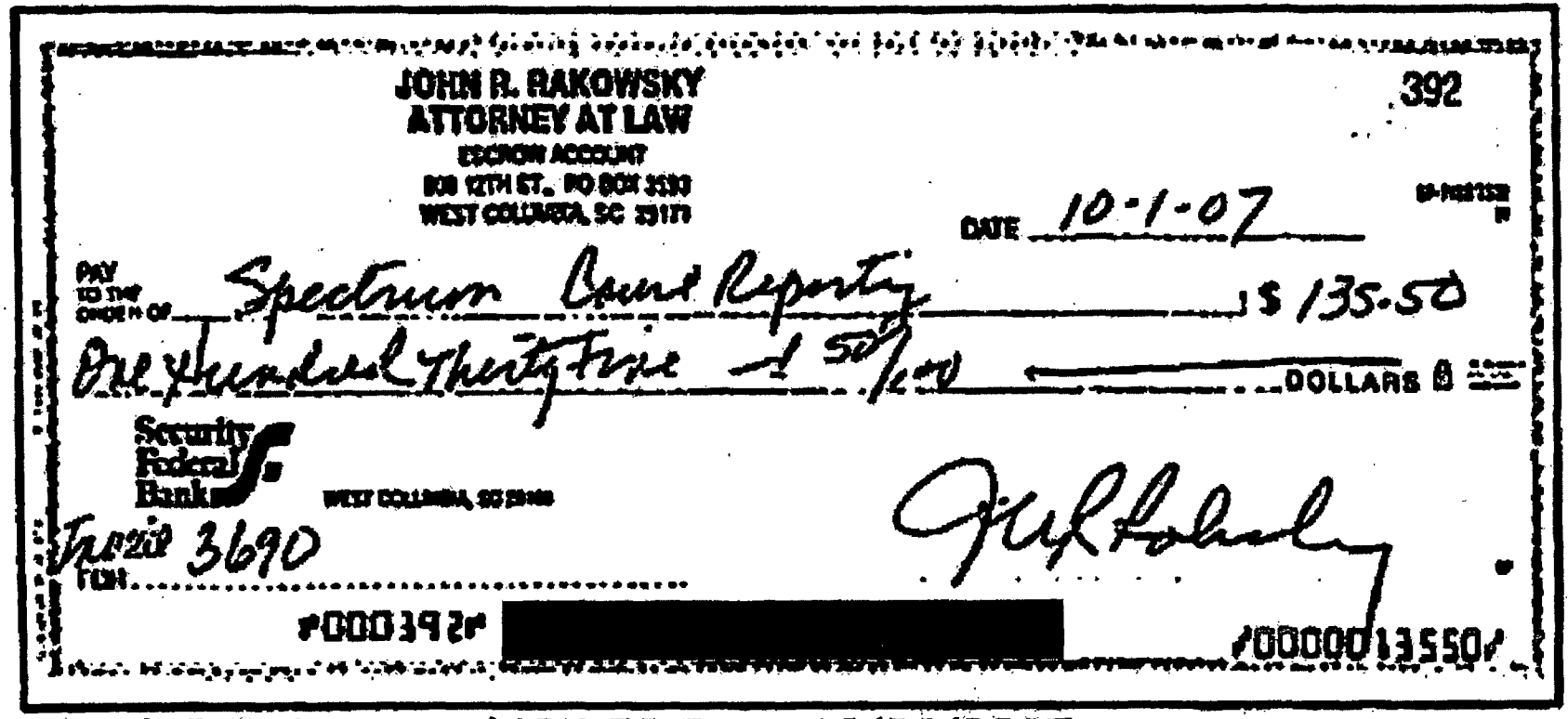
Security Federal Bank
WEST COLUMBIA, SC 29169

FOR 26602

⑈000382⑈ [redacted] ⑈000010840⑈

Check 382 Amount $108.40 Date 7/9/2007

TB0115



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
808 12TH ST., PO BOX 3530
WEST COLUMBIA, SC 29171

392

DATE 10-1-07

PAY TO THE ORDER OF Spectrum Court Reporting $ 135.50

One Hundred Thirty Five and 50/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

FOR Inv# 3690

⑈000392⑈ [redacted] ⑆000013550⑆

Check 392 Amount $135.50 Date 10/30/2007

MTB0116

Spectrum Court Reporting, LLC
P.O. Box 1296
Mount Pleasant, SC 29465
843-849-0133 phone
843-849-0132 fax

Invoice

PAST DUE

Date	Invoice #
6/26/2007	3690

Bill To	In The Matter Of:
Attorney at Law John R. Rakowsky, Esq. 900 12th Street West Columbia, SC 29169	Southern Holdings -vs- Horry County Case No: 4:02-CV-01859-RBH

[redacted] | Net 30

Date	Description	Deponent	Amount
5/7/2007	O & 1 Deposition of - Shipping & Handling	Noel Harrold	127.50 8.00

Thank you for choosing Spectrum!

Total $135.50

E-mail
SpectrumAAA@aol.com

O'LEARY ASSOCIATES, P.A.
714 Calhoun Street
Columbia, SC 29201

Statement

DATE
10/16/2007

TO:
John Rakowsky
P.O. Box 3593
W. Columbia, SC 29171

AMOUNT DUE	AMOUNT ENC.
$1,106.40	

DATE	TRANSACTION	AMOUNT	BALANCE
12/31/1994	Balance forward		0.00
02/15/2007	INV - File Review and preliminary expert opinion re: Southern Holdings, Inc.; James Spencer; Rodney Keith Lail; Irene Sanacroce; Ricky Stephens; Marguerite Stephens; Doris Holt; and Nicholas C. Williamson vs. Horry County, South Carolina; Horry County Sheriff's Department; et al.	3,000.00	3,000.00
02/23/2007	PMT #319 - payment from John Rakowsky re: file review & opinion - Southern Holding case	-3,000.00	0.00
02/28/2007	Deposition on 2/26/2007	1,000.00	1,000.00
03/15/2007	printing/copies of all materials for review	56.40	1,056.40
04/23/2007	PMT #128373523 - payment from Treasurer of SC for deposition	-1,000.00	56.40
05/08/2007	preparation time for trial testimony	1,050.00	1,106.40

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
800 12TH ST., PO BOX 3593
WEST COLUMBIA, SC 29171

303

DATE 10-16-07

PAY TO THE ORDER OF O'Leary Assoc. PA — $ 1106.40

One thousand one hundred six + 40/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC 29169

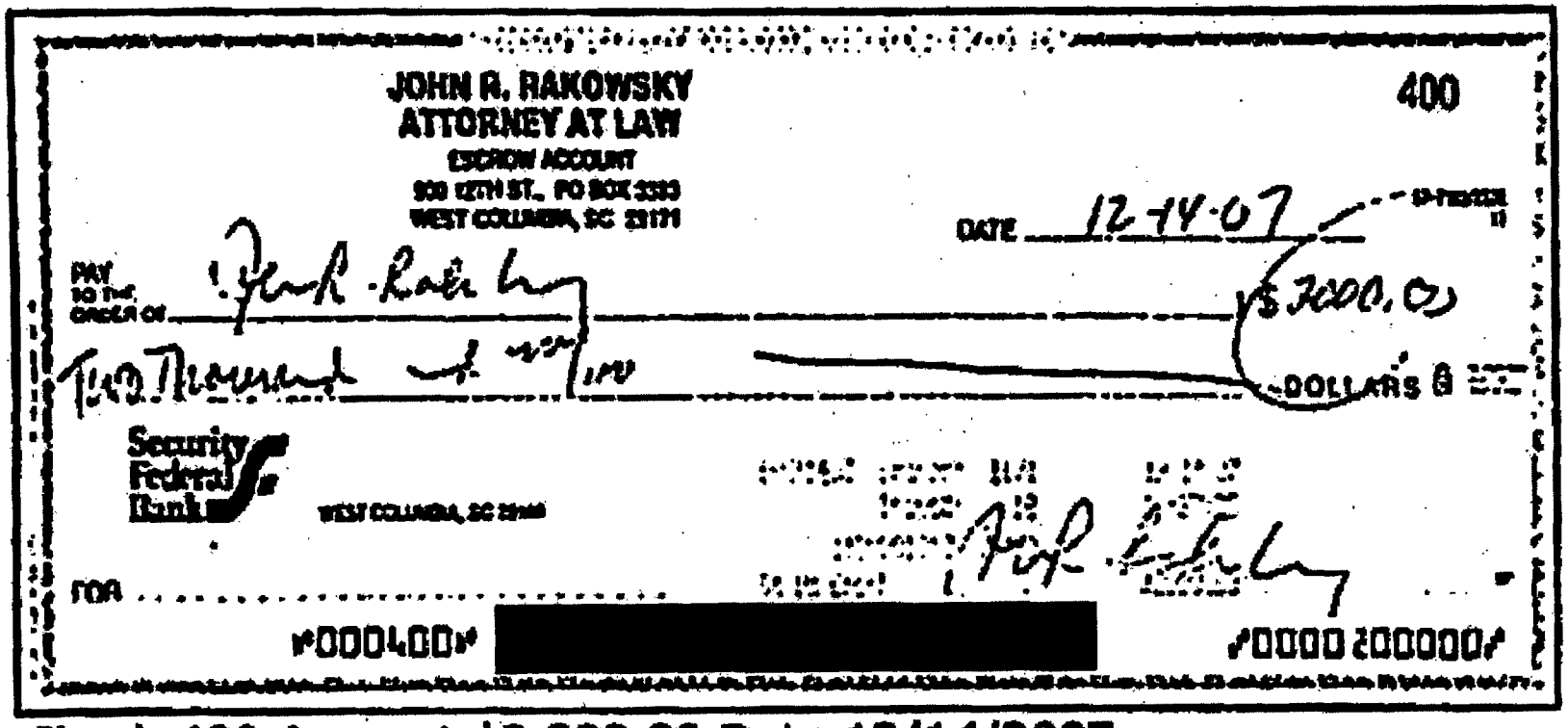
FOR [redacted]

⑆000353⑈ [redacted]

Your contract calls for payments of n/a on the ____ of each month beginning ____. If you find any errors in this statement, please contact our office immediately so we can review and/or correct it. SEND PAYMENT TO 714 CALHOUN ST., COLUMBIA, SC 29201. Thank you. Cricket Katsos

Phone #
803-779-5556

AMOUNT DUE
$1,106.40



JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]

400

DATE 12-14-07

PAY TO THE ORDER OF John R. Rakowsky $2000.00

Ted Thomas & wife

DOLLARS

Security Federal Bank

FOR [redacted]

#000400# #0000200000#

Check 400 Amount $2,000.00 Date 12/14/2007

MTB0119

M & M Document Center

P.O. Box 131
Florence SC 29503

Invoice

Date	Invoice #
5/1/2007	5125

PAID

Bill To
John R. Rakowksky

P.O. No.	Terms	Rep	Ship Via	Project	Contact
	American Express	JF	Pick up		

Qty	Description	Rate	Amount
1,080	Jury Questionnaire Panel # 141	0.10	108.00T
	binding	2.50	2.50T
	DP # 31950		

Subtotal	$110.50
Sales Tax (6.0%)	$6.63
Total	$117.13

Phone #	Fax #
843-662-2412	843-669-3540

MTB0120

4343141628B5
M & M DOCUMENT CENTER
1210 N EVANS ST UNIT 7
FLORENCE SC 29501
843-662-2412

Merchant ID: 238888963918
Term ID: 001 Ref #: 004
Clerk ID: 1

Sale

XXXXXXXXXXXX3686
VISA Entry Method: Swiped

05/02/07 14:22:44
Inv #: 000004 Appr Code: 005683
Approved: Online Batch#: 000057

Total: $ 117.13

Customer Copy
THANK YOU!

JUROR QUESTIONNAIRE/LIST REQUEST FORM

Judge: HARWELL Jury Selection Date: 5/8/07

Case Name: SOUTHERN HOLDINGS v. SPENCER

Name of Requester: JOHN R. RAKOWSKY

Phone #: 803-791-8830 Fax #: 803-794-2788

Relationship to Case:

- [X] Attorney For: [X] Plaintiff [ ] Defendant
- [ ] Party: [ ] Plaintiff [ ] Defendant
- [ ] Other - Explain _____

Purpose of Request:

- [ ] To inspect Juror Questionnaires with struck Jury List
- [ ] To purchase a copy of all Jury Questionnaires, including any received after first pick-up, with struck Jury List
- [ ] To obtain copy of Jury List

I understand the confidential information contained in these juror questionnaires and jury list is to be used solely for the purpose of evaluating potential jurors for jury service for this case and is not to be used or disseminated for any other purpose. The questionnaires and list will remain in my custody as the ordering party. All copies of the questionnaires and jury list, on paper or disk, will be destroyed at the conclusion of the case. The questionnaires or jury list will not reside on any computer.

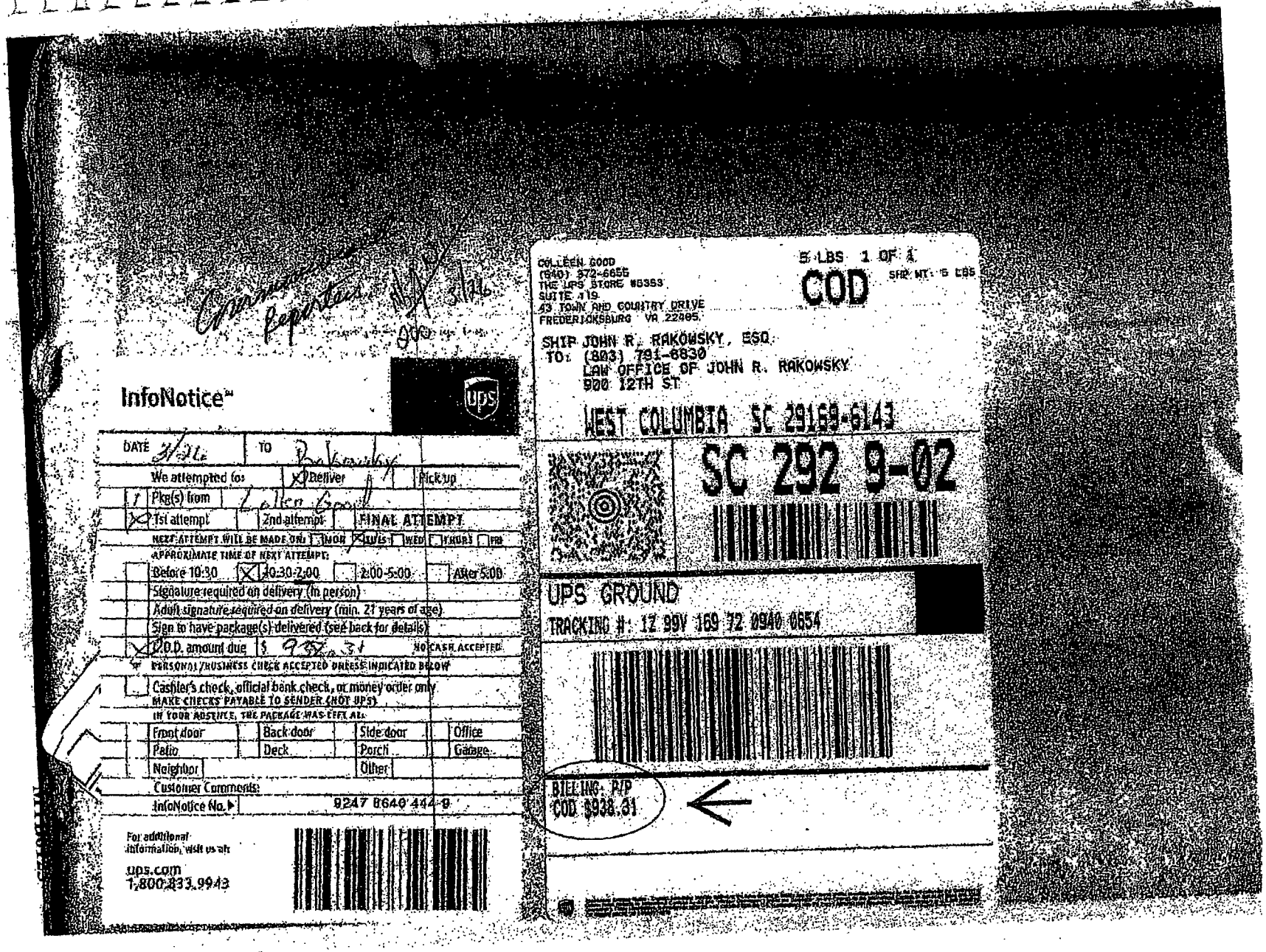
Jack. Rakowsky 5/1/07
Signature of Requester Date

This request can be approved via facsimile at (803) 765-5283.

Clerk's Office approval by: Penelope W Rowlston 5/1/2007
Deputy Clerk Date

Panel # 141

MTB0122


InfoNotice℠
DATE 3/31
TO Rakowsky
We attempted to: Deliver Pickup
Pkg(s) from Colleen Good
1st attempt 2nd attempt FINAL ATTEMPT
NEXT ATTEMPT WILL BE MADE ON: MON TUES WED THURS FRI
APPROXIMATE TIME OF NEXT ATTEMPT:
Before 10:30 10:30-2:00 2:00-5:00 After 5:00
Signature required on delivery (in person)
Adult signature required on delivery (min. 21 years of age)
Sign to have package(s) delivered (see back for details)
C.O.D. amount due $ 938.31 NO CASH ACCEPTED
* PERSONAL/BUSINESS CHECK ACCEPTED UNLESS INDICATED BELOW
Cashier's check, official bank check, or money order only
MAKE CHECKS PAYABLE TO SENDER (NOT UPS)
IN YOUR ABSENCE, THE PACKAGE WAS LEFT AT:
Front door Back door Side door Office
Patio Deck Porch Garage
Neighbor Other
Customer Comments:
InfoNotice No. 9247 8640 444 9
For additional information, visit us at:
ups.com
1.800.833.9943
COLLEEN GOOD
(540) 372-6655
THE UPS STORE #6353
SUITE 119
43 TOWN AND COUNTRY DRIVE
FREDERICKSBURG VA 22405
5 LBS 1 OF 1
COD
SHP WT: 5 LBS
SHIP JOHN R. RAKOWSKY, ESQ.
TO: (803) 791-6830
LAW OFFICE OF JOHN R. RAKOWSKY
900 12TH ST
WEST COLUMBIA SC 29169-6143
SC 292 9-02
UPS GROUND
TRACKING #: 1Z 99V 169 72 0940 0654
BILLING: P/P
COD $938.31

JOHN R. RAKOWSKY
ATTORNEY AT LAW
ESCROW ACCOUNT
[redacted]
WEST COLUMBIA, SC [redacted]

417

DATE 5-9-08

PAY TO THE ORDER OF Law Office of Dean Ballard : $ 9855.85

Nine Thousand Eight Hundred Fifty Five 85/100 DOLLARS

Security Federal Bank
WEST COLUMBIA, SC [redacted]

FOR Southern Hedging funds

Jack Rakowsky

⑈000417⑈ ⑆[redacted]⑆ ⑈0000985585⑈

Check 417 Amount $9,855.85 Date 5/23/2008

MTB0124

(ATTACHMENT 1)

Deposits.....$ 67500.00

Exhibit B

Expenses: Thru 8/01/06

S. Smith..... 1250.00

postage..... 23.65

Forensic Analysis (S.Cain)..... 11000.00

R. Serota (Expenses).....1050.00
Equipment.....613.00
Copies.....28.50
Copies/Ikon.....315.15
M. Hardee.....150.00
Garber Reporting.....379.45
Garber Reporting.....508.80
Copies/Ikon.....418.49
Copies/Ikon.....69.63
Copies/Ikon.....50.65
Copies/Ikon.....73.22
J. Spencer (Personal Advance).....2500.00
Kim Sellers.....1980.00
Clerk of Court./ Jury Info Misc.....175.00
Ct. Of Appeals.....170.00
Long Distance.....78.53
Marybeth Coller.....2055.00
Eugene Chewning.....6306.25
Glenn Harrison.....2646.18
Federal Court.....175.00
Postage 37.00
Glenn Harrison.....6094.00
J. Spencer (Personal Advance).....5000.00
Long Distance.....170.55

Misc Supplies.....128.28

Copies/Ikon.....365.30

Long Distance.....374.50

Gibson Moore Appellate Services.....361.28

Sub Total Expenses Thru 8/01/06.....$44547.41

8/01/06 Balance..... $22,952.59

Allen Geoghgan.....500.00

Misc. Supplies..... .97.50

J. Spencer (Personal Advance).....1500.00

Long Distance.....76.73

John O'Leary.....3000.00

Forensic Tape Analysis..Steve Cain.....900.00

Long Distance.....37.38

J. Spencer.....1200.00

Adrian Falgione..Copies.....600.00

John Rakowsky...Travel Costs.....697.50

M & M Document Center.....117.13

Supplies, Binders, Copies.....315.00

Al Cannon.....800.00

Adrian Falgione..Long Distance.....650.00

Southern Reporting.....283.40

Spectrum Reporting.....100.00

Rose Reporting.....291.20

Creel Reporting.....100.00

Spectrum Reporting.....445.00

Williams Reporting.....144.00

Spectrum Reporting.....135.50

John O'Leary.....1106.40

Sub Total Expenses Thru 9/01/07.....$13,096.74

Balance on Account for James Spencer.....$9,855.85

Exhibit C

Subj: suspension
Date: 3/6/2007 4:29:16 P.M. Eastern Standard Time
From: ncwillia@uncg.edu
To: rserota@aol.com

Dear Mr. Ron Serota,

Based upon your failure to appear at Federal District Court at the February 9, 2007, hearing as well as your deliberate sabotaging of the funding for this case, you are hereby suspended for taking any further actions on behalf of either Southern Holdings, Inc., or myself (individually) in the Federal District Court case in Florence, SC.

In the next several days, I am holding a BOD meeting where James Spencer will not be voting regarding the actions the Corporation will take regarding you from this point forward. Mr. Spencer has indicated that he will abstain from voting.

I strongly suggest you attempt to repair the financial damages of the lost $35,000 that you caused the litigation yesterday prior to my holding of the BOD meeting the latter part of this week.

It is with heavy heart that I take this action, but you have left me and Southern Holdings, Inc., no recourse.

Very truly yours,

Nicholas C. Williamson
336-334-4533

CC: John Rakowsky
Adrian Falgione
Bruce Benson
Individual members of the BOD of Southern Holdings, Inc.
=

Subj: **Suspension...**
Date: 3/6/2007 10:04:08 P.M. Eastern Standard Time
From: JBSpen777
To: Rserota
CC: JohnRakowskyLawOfc@sc.rr.com, adrianfalgione@alltel.net, ncwillia@uncg.edu

Ron,

I received Nick Williamson's notification of your suspension and the upcoming BOD meeting. At this point you are no longer authorized to take any actions on my behalf regarding the case in Federal District Court.

I do not consider your missing the court hearing on February 9, 2007, because of a free trip to Hawaii nor the sabotage of the funding yesterday to be positive actions in this case regarding my representation.

These and other matters I consider very troubling. I think it is in the best interest for you to resign for work load related reasons rather then taking the actions of terminating you for cause.

I also request you try and repair the damage you did to the funding yesterday and attribute your misguided actions to your stress rather then any other motivation.

Again, you are not to take any actions on my behalf regarding this case from this point forward.

Sincerely,

James Spencer

James B. Spencer

Contents of this e-mail are **Strictly Confidential**

This e-mail and any files transmitted with it are the property of The Center for Legal Reform and/or its affiliates, are confidential, and are intended solely for the use of the individual or entity to whom this e-mail is addressed. If you are not one of the named recipients or otherwise have reason to believe that you have received this e-mail in error, please notify the sender and delete this message immediately from your computer. Any other use, retention, dissemination, forwarding, printing or copying of this e-mail is strictly prohibited.

AOL now offers free email to everyone. Find out more about what's free from AOL at AOL.com.

LAWMAX
LEGAL FINANCE

BY FAX: (803) 794-2788

March 09, 2007

John R. Rakowsky, Esq.
Law Office of John R. Rakowsky
P.O. Box 3593
West Columbia, SC 29171

Re: James Spencer

Dear Mr. Rakowsky:

We are pleased to pre-approve an advance of $35,000.00 to James Spencer for a claim against Horry County, South Carolina Horry County Sheriff's Department, Horry County Police Department, City of Myrtle Beach, Myrtle Beach Police Department, James Albert Allen, Jr., Sidney Rick Thompson, Jeffrey S. Caldwell, Charles McClendon, Jay Brantly, Andy Christensen, Warren Gall, Richard Parrah, J.L. Zimmerman, Michael Steven Harmess, Harold Steven Harmess, Ancil B. Garvin, III, David Smith, Richard B. Way, and any other parties that may be added or substituted. If your client received any prior advances from LawMax, please be advised that this advance is a separate investment.

Attached is a Claim Investment Agreement. Please complete the portion regarding liens and assignments (Appendix II). If there are none, then the word "None" should be inserted in that section. The advance will not be made if this section is left blank.

The agreement should be signed by both you and your client in the appropriate places, and your client's signature must be notarized. The agreement should also be initialed by you (Appendix II) and your client in the appropriate places.

After it has been completed and signed, please fax the agreement back to us along with copies of your client's valid picture ID and Social Security card. Please also mail a fully executed original to us. Upon receipt of the faxed copy, we will promptly send a check to your client.

If your client requires funds to be sent via overnight courier, we will deduct $20.00 (or $30.00 for Saturday delivery) from the investment amount for delivery expenses. This charge will not apply if the advance is $3,000 or more.

Please mark James Spencer's file accordingly to reflect our lien. In the event your firm obtains a recovery on behalf of your client, you must honor our lien in full prior to distributing any funds to your client.

If you have any questions or if we can be of service to any of your other clients, please feel free to call us at 212-480-3707. Thank you for your assistance. We look forward to working with you!
Very truly yours,
Thank you for your assistance.
New Amsterdam Capital Partners LLC d/b/a LawMax Legal Finance

Tanya Kossarkova
Account Executive

459 Columbus Avenue, Suite 288
New York, New York 10024
tel: 1-212-480-3707
fax: 1-212-480-3876
info@fundmycase.com
www.fundmycase.com

www.fundmycase.com

EXHIBIT
13
MT 00230

CLAIM INVESTMENT AGREEMENT

DISCLOSURE STATEMENT

1. Principal Amount to be advanced by Buyer to Seller under this Agreement:	$25,000.00
2. Minimum annual rate of return for the first year:	2.2 x Investment Amount

3. Total amount to be paid by Seller to Buyer (the "LawMax Ownership Stake"):

On or before August 23, 2007	$63,000.00
After August 23, 2007 but on or before February 23, 2008	$77,000.00
After February 23, 2008 but on or before August 23, 2008	$91,000.00
After August 23, 2008 but on or before February 23, 2009	$105,000.00
After February 23, 2009 but on or before August 23, 2009	$122,500.00
After August 23, 2009 but on or before February 23, 2010	$140,000.00
After February 23, 2010	$157,500.00

*** CONSUMER'S RIGHT TO CANCELLATION: YOU MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE YOU RECEIVE FUNDING FROM BUYER. In order for the cancellation to be effective, you must either: (i) return the full amount of disbursed funds to Buyer by delivering Buyer's uncashed check to Buyer's office in person, within 5 business days of the disbursement of funds, or (ii) mail a notice of cancellation and include in that mailing a return of the full amount of disbursed funds (in the form of Buyer's check, or a registered or certified check or money order), by insured, registered or certified United States mail, postmarked within five business days of receiving funds from Buyer, at the following address: 459 Columbus Ave., Suite 239, New York, NY 10024.***

CLIENT'S INITIALS

LawMax tel. 212-486-3707 fax 212-480-3674

EXHIBIT 14 MTP0131

CLAIM INVESTMENT AGREEMENT

This Claim Investment Agreement ("Agreement") is entered into this February 23, 2007 by and between James Spencer, [redacted] ("Seller"), who resides at 7701 Street Andrews Box 183, Columbia, SC 29212, and LawMax Legal Finance ("Buyer"), located at 459 Columbus Avenue, Suite 299, New York, New York 10024.

WHEREAS, Seller is the plaintiff in a legal claim against Horry County, South Carolina Horry County Sheriffs Department, Horry County Police Department, City of Myrtle Beach, Myrtle Beach Police Department, James Albert Allen, Jr., Sidney Rick Thompson, Jeffrey S. Caldwell, Charles McClendon, Jay Brantly Andy Christensen, Warren Gall, Richard Parosh, J.L. Zimmerman, Michael Steven Hartness, Harold Steven Hartness, Ancil B. Garvin, III, David Smith, Richard B. Way, and any other parties that may be added or substituted, including all applicable uninsured/underinsured insurance carriers and workers' compensation claims (cumulatively referred to as the "Claim"); and

WHEREAS, Seller desires to ensure the receipt of some proceeds from the Claim without regard to its outcome and wishes to sell the right to receive a portion of the proceeds recovered, if any, with respect to the Claim.

WHEREAS, Seller does not have sufficient funds to pay for living expenses during the pendency of the Claim, does not have sufficient income or assets to obtain a loan and cannot obtain funds from other sources; and

WHEREAS, Buyer is in the business of investing in claims by purchasing the right to receive portions of the proceeds recovered from the settlements of claims and lawsuits and from judgments and desires to purchase from Seller an interest in its proceeds from the Claim; and

NOW THEREFORE, for valuable consideration, the receipt, sufficiency and adequacy of which is hereby acknowledged, the parties hereby agree to as follows:

1. Purchase Price; Buyer's Payment to Seller. Buyer shall pay THIRTY FIVE THOUSAND AND 00/100 DOLLARS ($35,000.00) to Seller ("Investment Amount"). Said Investment Amount is paid without recourse or other obligation of Seller to repay it, except as expressly set forth herein.

2. Sale and Purchase; Seller's Payment to Buyer. Seller hereby unconditionally and irrevocably grants, assigns, transfers and conveys to Buyer the following right, title and interest in the Proceeds (defined hereunder in Article 13) from the Claim (the "LawMax Ownership Stake") as set forth in the Payment Schedule below:

Payment Schedule	LawMax Ownership Stake
On or before August 23, 2007	$63,000.00
After August 23, 2007 but on or before February 23, 2008	$77,000.00
After February 23, 2008 but on or before August 23, 2008	$91,000.00
After August 23, 2008 but on or before February 23, 2009	$105,000.00
After February 23, 2009 but on or before August 23, 2009	$122,500.00
After August 23, 2009 but on or before February 23, 2010	$140,000.00
After February 23, 2010	$157,500.00

3. Seller's Additional Payment Terms. The LawMax Ownership Stake shall be due and payable by Seller to Buyer in full on the date the Proceeds from the Claim are recovered. The amount of LawMax Ownership Stake will be adjusted to reflect the actual date of payment of the Principal Amount by Buyer to Seller.

CLIENT'S INITIALS

4. Priority of Payments. Seller acknowledges that any Proceeds recovered from the Claim shall be paid to Buyer first, before Seller is entitled to receive any funds or distributions. In the event the Proceeds are received in multiple payments, whether pursuant to a structured settlement, annuity, or other form of installment payment, Buyer's right to receive the LawMax Ownership Stake in full shall be prior and senior to Seller's right to receive any portion of the proceeds from the Claim. Seller may terminate this Agreement at any time by the payment to Buyer of the LawMax Ownership Stake in accordance with the Payment Schedule set forth in Article 2 above. All prepayments shall be credited first to the difference between the LawMax Ownership Stake and the Investment Amount.

5. Non-Recourse Investment. Seller acknowledges that Buyer shall advance funds under this Agreement on a non-recourse basis only. In the event Seller does not recover any Proceeds from the Claim, Seller shall not be obligated to pay Buyer anything, and Buyer shall further forfeit its entire investment hereunder. Furthermore, in the event Seller recovers Proceeds from the Claim which are insufficient to pay the full LawMax Ownership Stake due to Buyer, then Buyer's total entitlement shall be limited to the gross amount of Seller's recovery after attorney's fees and costs.

6. Risk of Loss; No Loan. Seller acknowledges that the transaction contemplated by this Agreement involves a high risk of loss to Buyer. The funding provided by Buyer is a non-recourse purchase of an interest in the prospective Proceeds of the Claim and is not a loan. This transaction is an absolute assignment from Seller to Buyer and is fully perfected as of the date hereof. Seller agrees not to treat and report this transaction as a loan for all purposes, including taxes.

7. Fully Informed. Seller acknowledges that every page of this Agreement has been fully explained to him and all questions that he may have regarding this transaction have been fully answered. Seller has had an opportunity to consult with its attorney and other advisors before signing this Agreement.

8. Seller's Right of Rescission. CONSUMER'S RIGHT TO CANCELLATION: SELLER MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE SELLER RECEIVES FUNDING FROM BUYER. In order for the cancellation to be effective, SELLER must either: (i) return the full Investment Amount of disbursed funds to Buyer by delivering Buyer's uncashed check to Buyer's office in person, within five (5) business days of the disbursement of funds, or (ii) mail a notice of cancellation and include in that mailing a return of the full Investment Amount of disbursed funds (in the form of Buyer's uncashed check, or a registered or certified check or money order), by insured, registered or certified United States mail, postmarked within five business days of receiving funds from Buyer, at the following address: 459 Columbus Avenue, Suite 299, New York, New York 10024.

9. No Obligation to Reduce Lien. Seller acknowledges that Buyer is under no obligation to reduce its lien if Seller obtains a recovery from the Claim.

10. Waiver of Defenses; No Avoidance of Payment. Seller hereby waives any defenses to payment of any LawMax Ownership Stake due to Buyer and hereby agrees not to seek avoidance of payment of this amount.

11. Right of First Refusal for Additional Funding; Limits on Advances. Seller hereby grants Buyer the exclusive right of "first refusal" for any additional funding that Seller may require with respect to the Claim. Seller agrees not to obtain funding from any other source with respect to the Claim without the express written consent of Buyer.

12. Irrevocable Power of Attorney in Favor of Buyer. Seller hereby irrevocably appoints Buyer as its true and lawful attorney-in-fact, in its name, place and stead, with full powers to request and receive all information related to the Claim from any sources, including but not limited to medical providers, attorneys, insurance companies, law enforcement, and government organizations. This power of attorney shall remain in full force and be binding until Buyer is paid in full in accordance with the terms of this Agreement.

CLIENT'S INITIALS

13. Proceeds for LawMax Ownership Stake. For the purpose of this Agreement, the Proceeds shall be the gross amount (after attorneys' fees and costs) paid to Seller by or on behalf of one or more of the defendants to settle the matters which are the subject of the Claim, or pursuant to any verdict or judgment entered against them with respect to the matters which are the subject of the Claim.

14. No transfer of Claim or Right of Action. The parties to this Agreement intend to sell and to purchase the right to receive a portion of the Proceeds that may be recovered with respect to the Claim. This Agreement does not transfer or convey any right of action, cause of action or claim for relief which Seller may have against any of the defendants in the Claim or any other person or entity arising out of the facts, transactions, occurrences or events which are alleged in, or are the subject of, the complaint, as amended, on file in the Claim. Buyer shall not have any right to control, interfere with, or influence the prosecution of the case on behalf of Seller with respect to the Claim or any settlement negotiations that may occur.

15. No Encumbrances on Proceeds; No Fraud. Seller represents to Buyer that it has good and marketable title to the Proceeds of the Claim and that it has not, prior to the date hereof, sold, encumbered, transferred, assigned and/or conveyed any interest in the Proceeds of the Claim to any other person or entity, except as provided in the Attorney Acknowledgement and Undertaking section of Appendix II hereto, and that Seller shall not do so in the future. Seller has not committed fraud in connection with this Agreement or the Claim, and all statements, disclosures, and representations made by Seller to Buyer are truthful, complete, accurate and correct. Seller has informed Buyer regarding the status of all actions, facts and circumstances that materially affect or impair the Claim as well as Seller's and Buyer's rights.

16. Seller's Brokers; No Authority to Negotiate Lien. Seller hereby acknowledges that in the event any broker or intermediary referred it to Buyer for funding, such intermediary is an agent of Seller and not an agent of Buyer. Seller shall not negotiate Buyer's lien with anyone other than Buyer, including but not limited to brokers, agents, independent contractors, etc. Any reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

17. Instructions to Attorney. Seller hereby irrevocably instructs and directs its attorney of record with respect to the Claim to sign this Agreement in the appropriate space provided in the Attorney Acknowledgment and Undertaking section in Appendix II hereof, to acknowledge notice of this Agreement and the rights created thereby, to disclose to Buyer all assignments, conveyances and transfers of, and liens upon the Proceeds and to distribute the Proceeds to Buyer in compliance with the provisions herein.

18. Mandatory Updates. Seller hereby irrevocably instructs and directs its attorney of record to keep Buyer updated regarding any changes affecting this case and to provide written updates regarding the case status at Buyer's request.

19. Substitution of Attorney. If Seller substitutes another lawyer or law firm as its attorney of record with respect to the Claim, Seller and its current attorney of record shall each give Buyer immediate written notice thereof by certified mail, return receipt requested, and state the name, address and telephone number of Seller's new attorney of record.

20. Instructions to Substituted Attorney(s). If Seller substitutes another lawyer or law firm as its attorney of record with respect to the Claim, Seller hereby irrevocably instructs and directs the new attorney(s) and law firm(s) to acknowledge this Agreement by signing it in the appropriate space below and to distribute the LawMax Ownership Stake in accordance with this Agreement. Seller further irrevocably instructs and directs its new attorney(s) to keep Buyer updated regarding any changes affecting the Claim and to provide written updates regarding the case status at Buyer's request. Notwithstanding anything to the contrary, Seller irrevocably instructs and directs all substituted or new attorneys of record to strictly comply with all obligations contained in and derived from this Agreement, including any appendices and acknowledgments hereto.

CLIENT'S INITIALS

21. Mandatory Documents and Reports of Supplementary Information. Seller shall promptly notify Buyer in writing if and when: (a) Seller enters into an agreement with any defendant to settle the Claim or any portion thereof; (b) Seller receives any notices or documents evidencing any receipt of payments or promises or make payments with respect to the Claim; and (c) Seller's attorney receives any Proceeds with respect to the Claim.

22. Right to Notify Defendant. Buyer reserves the right to notify the defendants, the defendant(s)' attorney(s) and/or defendant(s)' insurance company(s) regarding this Agreement and to furnish them a copy of this Agreement.

23. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors-in-interest, heirs, executors, representatives, successors and assigns.

24. No Attorney-Client Relationship. Buyer is not engaged in the practice of law, and does not represent Seller as its attorney. Buyer assumes no obligations whatsoever with respect to the Claim.

25. Entire Agreement. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, covenants or obligations except as set forth herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, between the parties hereto relating to any transaction contemplated by this Agreement. This Agreement can be modified only in writing.

26. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AS OPPOSED TO CONFLICT OF LAWS PROVISIONS) OF THE STATE OF NEW YORK. SUBJECT TO ARTICLE 27 BELOW, BUYER AND SELLER HEREBY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT LOCATED IN THE BOROUGH OF MANHATTAN IN NEW YORK CITY, AND EACH WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO THE ADDRESS SET FORTH IN THE FIRST PARAGRAPH OF THIS AGREEMENT AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON RECEIPT THEREOF. BUYER AND SELLER HEREBY WAIVE ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT. BUYER AND SELLER EACH HEREBY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, SOUNDING IN CONTRACT, TORT, OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO, OR IN CONNECTION WITH THIS AGREEMENT. INSTEAD, ANY DISPUTE RESOLVED IN COURT WILL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

27. Arbitration. Any controversy or claim arising out of or relating to this Agreement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

CLIENT'S INITIALS

28. Waiver of Counterclaims. Seller waives all rights to interpose any claims, deductions, setoffs or counterclaims of any nature (other than compulsory counterclaims) in any action or proceeding with respect to this Agreement or any matter arising therefrom or relating hereto or thereto.

29. No Seller Bankruptcy. Seller hereby represents and warrants that it is now not subject to any bankruptcy proceeding or proceeding regarding the appointment of any trustee or receiver for all or any part of its property, and that it does not intend to file for bankruptcy at any time in the future and there are no lawsuits or other efforts by any of its creditors to put Seller into bankruptcy.

30. Treatment in Bankruptcy. In the event Seller commences, or has commenced against it, any case (or other proceeding) pursuant to any bankruptcy, insolvency or similar law prior to Buyer's receipt of the LawMax Ownership Stake payable hereunder, Seller shall cause Buyer's entitlement hereunder to be described as an asset of Buyer in any oral or written communications, including, but not limited to, any schedule or other documents, made or filed in connection with any such case or proceeding. In no event shall Seller permit Buyer's interest, as contemplated herein, to be described as a debt or obligation of Seller to Buyer in any such communication.

31. Collection Expenses. In the event of any legal action or proceeding to interpret or enforce this Agreement, the prevailing party shall be entitled to recover its reasonable actual attorneys' fees and expenses incurred therein from the unsuccessful party.

32. Courier Expenses. In the event Seller requests the funds to be sent via overnight courier, Seller hereby authorizes Buyer to deduct TWENTY AND 00/100 DOLLARS ($20.00), or THIRTY AND 00/100 DOLLARS ($30.00) for Saturday delivery, from the Investment Amount for overnight delivery expenses.

33. Equal Bargaining Position. This Agreement shall be deemed to have been negotiated and drafted by both parties of equal bargaining position; its provisions shall be interpreted in accordance with the plain meaning of the words used and shall not be construed strictly in favor of, or against, either party.

34. Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, articles or sections contained this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to the greatest period which would be valid.

35. Event of Default. In the event Seller breaches any of its obligations under this Agreement, such breach shall constitute an Event of Default hereunder.

36. No Circumvention; False Statements. Seller shall take no steps to circumvent the rights and obligations set forth in this Agreement in any way whatsoever and shall not attempt to avoid payment to Buyer. Seller shall not make any false statements to Buyer in connection with the Claim or this Agreement. Any breach of this article shall increase the LawMax Ownership Stake by FIFTY PERCENT (50 %).

CLIENT'S INITIALS

37. Waiver. Any waiver, changes, modifications or corrections made by Seller, and/or its attorney(s) or representative(s) in this Agreement shall be invalid and void unless expressly authorized by Buyer in writing. The failure of any party to enforce, at any time, any of the obligations hereunder shall not be construed as a waiver of such obligations.

38. Buyer's Right to Rescission. Seller hereby acknowledges that Buyer reserves the right to cancel this Agreement and reject the making of this advance at any time, for any reason and without any penalty or obligation whatsoever before this Agreement has been signed by Buyer.

39. Other Sources of Capital. Seller has been advised and acknowledges that other sources of funding may have more favorable rates, payment schedules, terms and conditions, and that Buyer may make a substantial return from its investment by the terms of this Agreement. Seller has been further advised and instructed by Buyer that Seller should seek this funding from sources other than Buyer, including but not limited to banks, credit cards, family, friends, charitable and government organizations.

40. Right to Use Information for Marketing Purposes. Seller hereby grants Buyer the right to use Seller's first name in its marketing materials, including websites, brochures, letters, postcards, television and radio commercials.

DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT COMPLETELY OR IF IT CONTAINS ANY BLANK SPACE. BEFORE YOU SIGN THIS AGREEMENT YOU SHOULD OBTAIN THE ADVICE OF YOUR ATTORNEY. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS AGREEMENT.

Seller	Buyer
James Spencer	Max Volsky, President

On this 26 day of Feb, 2007, personally appeared before me James Spencer known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Notary Public: Keri Wyn Ho My Commission Expires: Jan 27 2008

KERI WYN HOLLAND NOTARY PUBLIC NEWTON CO., GA MY COMMISSION EXPIRES JAN. 27, 2008

Appendix I. IRREVOCABLE POWER OF ATTORNEY AND INSTRUCTIONS TO ATTORNEY

I James Spencer, hereby irrevocably appoint Ronald N. Serota and the firm Corporate Law Center, and any other attorney or law firm that maybe added or substituted, as my true and lawful attorney-in-fact, in its name, place and stead, with full power to receive, sign, endorse and deposit into their trust account any check, draft or other financial instrument received in payment of any Claim, as defined in the Agreement. This power of attorney shall remain in full force and be binding until LawMax Legal Finance is paid in full as set forth in the Agreement.

I further irrevocably instruct Ronald N. Serota and the firm Corporate Law Center, and any other attorney or law firm that maybe added or substituted, to place an irrevocable assignment, consensual lien and security interest against any and all of the Proceeds due to me from the Claim after payment of the attorney's fees and costs. I irrevocably instruct and direct Ronald N. Serota, the firm Corporate Law Center, or any other attorney or law firm that maybe added or substituted to protect and satisfy this assignment, consensual lien and security interest with respect to the LawMax Ownership Stake, which is set forth in Article 2 of the Agreement.

During the pendency of the Claim, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any other attorney or law firm that maybe added or substituted, to provide written updates to LawMax Legal Finance at their request regarding the status of the Claim and any development that may be material to the Claim.

Upon the settlement, resolution, or any distribution of Proceeds related to the Claim, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any attorney or law firm that may be added or substituted, to protect and satisfy this assignment, consensual lien and security interest in favor of LawMax Legal Finance before releasing any funds to me. If there is a dispute regarding this instrument or the Agreement, I irrevocably instruct and direct my attorney(s) not to release any funds to me until such dispute is resolved. I understand that LawMax Legal Finance has relied on this instrument to provide funding to me under the Agreement. In the event that Ronald N. Serota or the firm of Corporate Law Center ceases to represent me, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any attorney or law firm that may be added or substituted to provide LawMax Legal Finance with information regarding the new attorney, applicable insurance, or any other information necessary for LawMax Legal Finance to protect their interest under the Agreement and to follow my irrevocable instructions that are contained in the Agreement and this instrument.

I fully read the Agreement and understand all the terms it contains. I also had the opportunity to ask questions regarding the Agreement and the transaction contained therein and all such questions have been answered. This instrument is a part of the Agreement and shall be decided by binding arbitration in the event a dispute arises relating hereto. This instrument may be executed in counterparts, each of which shall be deemed an original, and all of which shall together constitute one agreement.

Seller	Buyer
James Spencer	Max Volsky, President

On this 1st day of March, 2007, personally appeared before me James Spencer known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Notary Public My Commission Expires: My Commission Expires February 2, 2008

Appendix II. ATTORNEY ACKNOWLEDGMENT AND UNDERTAKING

1. The undersigned hereby acknowledges to Buyer that he is the attorney-in-fact and attorney of record for Seller. Seller's Claim is still pending against a visible defendant.

2. The undersigned hereby informs Buyer that liability, causation, and damages are contested in this Claim, there are no assurances that Seller will prevail, and there is substantial uncertainty as to the amount, if any, Seller may recover.

3. The undersigned hereby acknowledges notice of the provisions of the foregoing Agreement, including without limitation, the Irrevocable Power of Attorney and Instructions to Attorney in Appendix I to the Agreement and agrees to disburse in compliance therewith the Proceeds, if any, recovered on behalf of Seller with respect to the Claim within five (5) business days of receiving cleared Proceeds.

4. The undersigned acknowledges that he is the custodian of Buyer's funds upon obtaining a recovery on behalf of Seller with respect to the Claim. The undersigned shall not distribute any funds to Seller prior to satisfying Buyer's lien in full, including in the event of any dispute between Seller and Buyer regarding this Agreement.

5. At Buyer's request, the undersigned hereby agrees to keep Buyer updated regarding any changes affecting this Claim and to provide written updates regarding the case status, including any new contact information for Seller.

6. The undersigned hereby agrees to notify Buyer in writing immediately upon any material change in the status of the Claim, including but not limited to settlement of the Claim, judgment, arbitration, dismissal of the Claim, disappearance, imprisonment or death of Seller, or lack of cooperation on the part of Seller. The undersigned further agrees to submit documentary proof, if any, with respect to any significant change in the status of the Claim, e.g., signed settlement release, judgment, arbitration decision, etc.

7. The undersigned hereby confirms that he has reviewed the Agreement and explained to Seller its terms, including the rate of return applied to calculate the amount to be paid by Seller to Buyer.

8. In the event the undersigned is terminated as Seller's attorney of record with respect to the Claim, the undersigned shall give Buyer immediate written notice thereof by certified mail, return receipt requested, and state the name, address and telephone number of Seller's new attorney of record.

9. The undersigned agrees not to approve, sign or acknowledge any funding (investment) agreement, lien, promissory note or other instrument between Seller and another individual or entity with respect to the Claim without the express written consent of Buyer.

10. The undersigned hereby represents to Buyer that he shall take no steps to circumvent the rights and obligations set forth in this Agreement in any way whatsoever. Any circumvention in violation of the provisions hereof shall increase Seller's obligation to Buyer by FIFTY PERCENT (50 %) in accordance with Article 36 of this Agreement.

11. This Attorney Acknowledgment and Undertaking shall be governed by, and construed in accordance with, the internal laws (as opposed to conflict of laws provisions) of the state of New York. Subject to Article 12 of this Appendix II, Buyer and the undersigned hereby submit to the exclusive jurisdiction of the courts of the state of New York and the United States district court located in the borough of Manhattan in New York City, and each waives personal service of any and all process upon it and consents that all such service of process be made by registered mail directed to the address set forth in the first paragraph of this agreement and service so made shall be deemed to be completed upon receipt thereof. Buyer and the undersigned hereby waive any objection based on forum non conveniens, and any objection to venue of any action instituted hereunder and consents to the granting of such legal or equitable relief as is deemed appropriate by the court. Buyer and the undersigned each hereby waives any right to have a jury participate in resolving any dispute, sounding in contract, tort, or otherwise arising out of, connected with, related to, or in connection with this agreement. Instead, any dispute resolved in court will be resolved by a bench trial without a jury.

ATTORNEY'S INITIALS

12. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

at 2/07

NAME	AMOUNT	DATE
L+F Funding USA	50,000 Principal 150,000 int	6/05
Resolution Settlement Corp	25,000 Principal 100,000 I nt	6/05

Corporate Law Center

BY: _____ Date: 2/23/07

Ronald N. Serota, Esq.

LIEN IS CONTINGENT UPON PROCEEDS of 35,000 MADE payable to Corporate Law Center TRUST Account

LawMax tel 212-480-3707 fax 212-480-3674

Addendum:

On this date, March 1, 2007, James Brian Spencer had his Social Security number verified through First Citizen Bank records as being: [redacted]

I, Gina B Edrada, am a notary employed by First Citizens Bank and Trust.

On this 1st day of March, 2007, personally appeared before me James Spencer know to me to be the person described in and who authorized me to verify the foregoing account listing information regarding James B. Spencer's Social Security number and acknowledged that he authorized the same as his free act and deed.

James B. Spencer: _____

Notary Public: _____

My Commission Expires: My Commission Expires February 2, 2008

12. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

NAME	AMOUNT	DATE
NOTES DTD 6/05	AT 2/07	
LIT FUNDING USA	$50,000 PRN 150,000 INT	
RESOLUTION SETTLEMENT CORP	25,000 PRN 100,000 INT AT 2/07	

Corporate Law Center

BY:_____ Date:_____
Ronald N. Serota, Esq.

Law Office of John R. Rakowsky

BY: John R. Rakowsky Date: 3/5/07
John R. Rakowsky, Esq.

12. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

NAME	AMOUNT	DATE
NOTES DTD 6/05		AT 2/07
Lit Funding USA	50,000 PRN	150,000 INT
Resolution Settlement Corp	25,000 PRN	100,000 INT AT 2/07

Corporate ~~Law~~ Center

BY: _____ Date: 3/2/07

Ronald N. Serota, Esq.

John R. Rakowsky

LAW OFFICES OF JOHN R. RAKOWSKY

Mara T. Ballard, CFE, CMA, FA
Ballard & Watson, Attorneys at Law
226 State Street
West Columbia, South Carolina 29169
803.796.9299
mara@desaballard.com

Exhibit D

Education: Certified Fraud Examiner (2013)
Forensic Accounting Certification (2006)
Certified Management Accountant (1991)

Bachelor of Arts (1984) University of Puget Sound Tacoma, WA

- Major: Business Administration / Accounting
- Minor: Computer Science

Professional Experience:

Financial Management – experience includes financial forecasting, budgeting and reporting, expense management, communication of financial information to all levels of management, implementation of new systems, and day-to-day operations of general accounting departments.

Consultant - Specializing in review, design and implementation of law firm accounting systems and procedures in accordance with the South Carolina Rules of Professional Conduct for small and solo law firm practices.

Forensic Accountant / Fraud Examiner – Litigation support for attorneys in regards to trust account related reviews, partnership dissolutions, Commission on Lawyer Conduct – Office of Disciplinary Counsel grievances and embezzlement matters.

Office Management - responsibilities include human resource, financial, facilities, telecommunications and information technology management for a law firm with two attorneys and three staff.

Professional Memberships:

Institute of Management Accountants – Columbia Chapter

Association of Certified Fraud Examiners – Palmetto Chapter

Former member of the Association of Legal Administrators (ALA) – SC Chapter

Notary Public

Speaking Engagements:

SC Bar (CLE)

- Trust Account School (LEAPP)
- Ethics day

USC Law School

- Professional Responsibility
- Secured Transactions
- Advanced Legal Profession

SC CPA Assoc.

- Lawyers Trust Accounting

Association of Certified Fraud Examiners

- Trust Accounting for Lawyers

Qualified as an expert:

Richland County Common Pleas

Greenville County Common Pleas

Commission on Lawyer Conduct (Investigative Panel)

Employment:

Pierce County Medical, Tacoma, Washington (1985 - 1986)

Blue Cross Blue Shield South Carolina (1986 – 1997)

Colonial Life & Accident, Inc. (1997 - 2000)

Desa Ballard, PA (1997 – Present)

d/b/a Law Offices of Desa Ballard

d/b/a Ballard Watson Weissenstein

d/b/a Ballard & Watson, Attorneys at Law

Law Office Accounting (1999 – Present)

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
Case No. **2008-CP-40-6656**

John R. Rakowsky,

Plaintiff,

v.

Adrian L Falgione, et al,

Defendants.

RICH... 2014 JUL 29 ... CLERK OF COURT

OMNIBUS MOTIONS INCLUDING EMERGENCY MOTION TO COMPEL

Defendant James Spencer, *Pro Se* (hereinafter the "Defendant") requests these matters be brought to the immediate attention of the Court and requests an Emergency Order (a) compelling the production of the legally required document of informed consent hand signed by all seven Plaintiffs as subpoenaed in **Attachment "A"** (attached hereto), from John Rakowsky, (b) compelling the production of the documents requested from Mara T. Ballard on which she based, without proper notice under Rule 26 of the South Carolina Rules of Civil Procedure (SCRCP), her expert opinion that she filed with this Court which was used as a basis for the Order developed through inappropriate *ex parte* communications **(see Attachment "B" attached hereto),** and (c) compelling the videotaped depositions of John Rakowsky and Mara T. Ballard prior to August 15, 2014.

In support hereof Defendant states as follows:

Plaintiff and Plaintiff's counsel Desa Ballard wrongfully submitted an expert witness report to the Court on May 23, 2014.

1. Plaintiff and Plaintiff's counsel Desa Ballard submitted this expert report without complying with Rule 26 of the SCRCP.
2. Plaintiff's counsel Desa Ballard then wrongfully carried on *ex parte* communications of an unknown nature, duration and number of occurrences resulting in her submission of an *ex parte* "draft" Order Granting Partial Relief consisting of twelve (12) pages purportedly based on opinions expressed in the expert witness report of her sister, Mara T. Ballard, which was wrongfully submitted to the Court, without the opportunity for full and fair discovery of the opinions contained therein, cited herein above.[1] This Order was submitted by Desa Ballard directly to the Court on June 27, 2014.

   However, this is inconsistent with the notice of the Order signed by Your Honor and sent to the Clerk of Court by Your Honor on June 17, 2014, of which the Clerk of Court has no record **(See Attachment "C" attached hereto)**. The fact that this Order is the one Your Honor stated he sent in on June 17, 2014, clearly raises the question of judicial bias and prejudice in conjunction with the ***ex parte*** communications that

[1] The report is inconsistent with the primary documents submitted to the court regarding the funding companies and the records required to be maintained by Plaintiff Rakowsky under Rule 417 that would clearly show who the funds belong to and were received from. Furthermore, the report is inconsistent with the amounts clearly documented from the initial day of the filing of this complaint.

apparently transformed the Order into a clear one sided distortion of the facts and a document that blackmails[2] the Defendants.

3. Defendants served the subpoenas for the above named documents on Desa Ballard and Mara T. Ballard on July 7, 2014, in accordance with South Carolina Law and the standing oral Orders of Judge Barber.
4. On July 9, 2014, Desa Ballard responded by trying to force Defendants to withdraw the subpoenas or she said that she would seek sanctions against them and their undersigned counsel. **(See attachment "D" attached hereto.)**
5. The Defendants responded by offering alternative deposition dates to accommodate any scheduling problems.
6. On July 10, 2014, Desa Ballard responded to the subpoenas and offer of revised dates to accommodate schedules by stating she refused to produce the document subpoenaed from John Rakowsky, a document that is legally required to determine both the distribution of any litigation proceeds among the Defendants and the legality of the settlement, and also refused to produce the documents subpoenaed that her sister, Ms. Mara T. Ballard, based her opinion on as an expert witness in this case, that was the basis for the *ex parte* order submitted by Ms. Desa Ballard to the Court, and executed by the Court in an apparent oversight. Further, Ms. Ballard refused to produce either individual for their

[2] See point 11 herein.

subpoenaed videotaped deposition. **(See attachment "E" attached hereto).**

7. There is a long pending[3] motion still before the Court for sanctions against Ms. Ballard's law firm concerning prior *ex parte* communications with Judge Seals in this proceeding. This matter concerned documents of an unknown nature that were sent to Judge Seals that were different than the documents which were supposed to be duplicates that were sent to the Defendants with different cover letters which were intentionally crafted in a manner that clearly showed a deliberate concealment of the ***ex parte*** communications.
8. In this instance, Ms. Ballard not only wrongfully submitted an expert witness report in which she failed to comply with the requirements for such a report set forth in Rule 26 of the SCRCP, she also subsequently submitted a proposed order for partial relief, based on the opinions of that (her sister's) expert witness report, through secret *ex parte* communications with Your Honor, an order which was, apparently inadvertently signed by Your Honor, as it clearly contains many unquestionable errors of fact.
9. The Defendant moves to strike the expert report for the reasons stated above that was wrongfully submitted to the Court by Mara T. Ballard and accepted without the opportunity for discovery and cross examination.

[3] Filed with the Court on December 20, 2011.

10. The Order for partial relief, which Your Honor has now properly retracted, was, among many things, an attempt to blackmail the Defendants into effectively paying for the return of $7,691.78 of litigation funds, that are totally undisputed, a fact acknowledged by all parties and by Your Honor, through the Defendants agreeing to give up their legal rights, including, but not limited to their right to appeal. Furthermore, the statements of fact contained in the order were predominantly manifestations of Ms. Desa Ballard's imagination put on paper.[4]

11. Adrian Falgione, John Rakowsky's co-counsel in the underlying case, through counsel Ben Bruner, had an Order signed by Your Honor on July 9, 2014, without submitting it to the Defendant in violation of a standing order for all Orders to be submitted to Defendant, prior to submission to the Court; this oral Order related to procedure was issued at the May 7, 2012, hearing presided over by Chief Judge Barber.

[4] Desa Ballard claims that only two companies paid funds to her client, Plaintiff John Rakowsky. Yet Mr. Rakowsky throughout the proceedings denied receiving funds from Resolution Settlement Corporation (RSC). Now an Order secretly drafted and submitted to Your Honor on an ***ex parte*** basis which Your Honor then signed states otherwise. The Order states RSC was one of the two companies who paid funds to John Rakowsky and that Law Max, which was continually named as a company that provided funds to John Rakowsky by Desa Ballard and John Rakowsky throughout these proceedings was unexplainably no longer listed. The funds in question are over forty thousand dollars that Mr. Rakowsky has refused to provide a proper accounting of as required by Rule 1.15 of the South Carolina Rules of Professional Conduct. Without allowing discovery, this court effectively allowed the Plaintiff to switch his story through the Order that was submitted ***ex parte*** by Desa Ballard. This cannot be viewed as anything but a railroad job with Desa Ballard as the chief engineer, the only question is will the court participate in this travesty or stop this travesty of justice. Once again, **"enough is enough"**. In a second example, the expert witness report from Mara T. Ballard, the sister of Desa Ballard, which the Defendant was never allowed to conduct discovery on by Your Honor, discovery that is required to be allowed under Rule 26 of the SCRCP, wrongfully stated that the moneys were deposited in to an IOLTA trust account in 2005 by John Rakowsky. This simply is not true. The evidence presented to the court fully documented, however, the ***ex parte*** generated Order wrongfully stated as a fact the money was deposited into an IOLTA account which clearly it was not according to bank records. There has been enough fraud and enough misrepresentation and enough procedural unfairness in this proceeding. **"Enough is Enough"**

12. Mr. Bruner was in attendance at that hearing but ignored Chief Judge Barber's standing Order and submitted the Order directly to Your Honor on or before July 9, 2014.

13. Mr. Bruner in an act of consistency with Ms. Ballard's ***ex parte*** policy also obtained Your Honor's signature on this factually flawed Order which in both cases turned a fantasy of untruths and half-truths into a surreal world of an imposed legal reality.

14. Furthermore, this Bruner proposed ***ex parte*** Order executed on July 9, 2014, incorporated the ***ex parte*** Order issued by Your Honor on June 27, 2014, that was withdrawn on July 10, 2014, by Your Honor, making the wrongfully handled Order submitted by Mr. Bruner moot not only for content inapplicability, but also for submission through the use of an improper ***ex parte*** process.

PROCEEDINGS

The discovery requested in this motion concerns the identification and disbursement of litigation and other funds including the disputed amounts and the right to depose an expert witness, a right that is mandated by Rule 26 of the SCRCP, whose report was wrongfully presented to the court by Plaintiff Rakowsky and his attorney regarding the litigation funds. Mara T. Ballard in no way can be considered a fact witness in this case and she specifically presented her credentials as an expert with her report and affidavit stating her expert opinions.

The Defendant is in no way waiving his right to a jury trial, his right to counter claims and his right to sanctions by taking these depositions and obtaining these

documents on the areas of litigation funds and disbursement of litigation funds, claims against the litigation funds, the implied consent agreement and the documentary basis for the allegedly contrived and flawed report by Mara T. Ballard.

The Court, by granting this emergency omnibus motion to compel, since Your Honor de facto bifurcated this case, should in no way cause the Defendant to give up his rights to litigate the second part of the defacto bifurcated action. These rights include, but are not limited to, counter claims, sanctions, trial before a jury and to carry out discovery, notwithstanding the discovery regarding the litigation funds laid out in this emergency motion, discovery compelled to be completed by August 15, 2014.

APPLICABLE LAW

The Appellate Court of South Carolina has ruled that a party to a lawsuit who presents an expert report is to present both the materials upon which the report presented to the Court was based, and also the availability of the individual(s) who developed the report to be presented for deposition by the adverse party(s). In *Allegro, Inc. v. Scully*, the South Carolina Appellate Court Ruled:

> "The report contained many instances of hearsay, including numerous statements by Scully. However", "the admission in evidence of inadmissible hearsay affords no basis for reversal where the out-of-court declarant later testifies at trial and is available for cross-examination." Clark v. Ross, 284 S.C. 543, 551, 328 S.E.2d 91, 97 (Ct. App. 1985), abrogated by Sherer v. James, 290 S.C. 404, 351 S.E.2d 148 (1986)."
>
> ***Allegro, Inc. v. Scully*, 400 S.C. 33, 48 (S.C. Ct. App. 2012)**

Further, the Defendant is not giving up his rights to appeal the fact that Your Honor has not allowed the depositions, counter claims, discovery and the immediate release of the undisputed amount of litigation funds both ordered by Judge Barber and agreed to on the court record by the Plaintiff during the hearing presided over by Judge Barber on May 7, 2012, as cited numerous times to Your Honor **(See "Response to Attached Email Litigation", filed with the Court on June 25, 2014).** The Supreme Court of South Carolina is quite clear on this subject, as cited in *Tisdale v. Amer. Life Ins. Co.*:

> "There is a long-standing rule in this State that one judge of the same court cannot overrule another."
>
> *Tisdale v. Amer. Life Ins. Co.* 216 S.C. 10, 56 S.E. 2d 580 (1950); *Dankins v. Robbins*, 203 S.C. 199, 26 S.E. 2d 689 (1943)

In response to the argument that Judge Barber's Orders were not reduced to writing nor reversed in writing the South Carolina Supreme Court also made the law clear:

> "Furthermore, the fact that the order in the prior proceeding was never reduced to writing is not dispositive of the issue. An oral order compelling arbitration was issued by the court and is acknowledged in a letter by then-counsel for RDC...A judge may bind the parties with an oral order dictated into the record. Lane v. Williamson, 414 S.E.2d 177 (Ct. App. 1992). Once such an order is put into operation, absent a written order contradicting it, the court is bound by it."
>
> *Hilton Head Resort Four Seasons Ctr. Horizontal Property Regime Council of Co-Owners v. Resort Inv. Corp.*, 311 S.C. 394,401 (S.C. Ct. App. 1993)

Furthermore, in regard to *ex parte* communications the South Carolina Supreme Court is quite clear:

Canon 3(A)(4), Rule 501, Code of Judicial Conduct, SCACR, states: "A judge should . . ., except as authorized by law, neither initiate or consider ex parte or other communications concerning a pending or impending matter." While Canon 3(A)(4) guards against ex parte indiscretion, it also strives to eliminate the appearance of impropriety. This issue was discussed succinctly in the case of In Re: Wisconsin Steel, 48 B.R. 752 (D.Ill. 1985).

***Burgess v. Stern*, 311 S.C. 326, 330 (S.C. 1993)**

Furthermore, in regard to Orders:

"South Carolina case law and rule-making authorities are well synchronized on the prohibition against ex parte contacts. In Herring v. Retail Credit Co., 266 S.C. 455, 224 S.E.2d 663 (1976), the judicial practice of merely signing an order prepared by counsel of one party was condemned. This Court advised the Bench and the Bar that not only do such orders deprive the reviewing Court of adequate records on appeal, but also deny to the deprived party an opportunity to be heard in matters which affect them."

***Burgess v. Stern*, 311 S.C. 326, 330 (S.C. 1993)**

Finally, in regard to ex parte communications of any type The South Carolina Supreme Court's position is clear:

"It is rarely possible to prove to the satisfaction of the party excluded from the communication that nothing prejudicial occurred. The protestations of the participants that the communication was entirely innocent may be true, but they have no way of showing it except by their own self-serving declaration. This is why the prohibition is not against "prejudicial" ex parte communications, but against ex parte communications."

***Burgess v. Stern*, 311 S.C. 326, 330-331 (S.C. 1993)**

Rule 26 of the South Carolina Rules of Civil Procedure (SCRCP) makes it clear that discovery in this case is proper. **Rule 26 states:** "Parties may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party, including the existence, description, nature, custody, condition and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of any discoverable matter. It is not ground for objection that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence."

Furthermore, **Rule 26 states:**

> "Parties may obtain discovery by one or more of the following methods: depositions upon oral examination or written questions; written interrogatories; production of documents or things or permission to enter upon land or other property, for inspection and other purposes; physical and mental examinations; and requests for admissions. The frequency or intent of use of discovery methods set forth in subdivision (a) shall be limited by the court if it determines that: **(i)** the discovery sought is unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive; **(ii)** the party seeking discovery has had ample opportunity by discovery in the action to obtain the information sought; or **(iii)** the discovery is unreasonably burdensome or expensive taking into account the needs of the case, the amount in controversy, limitations on the parties' resources, and the importance of the issues at stake in the litigation."

DISCUSSION

First and foremost, there is no question that ***ex parte*** communications occurred to such an extent during the duration of this case that the Defendant will be forced to ask for a mistrial.[5] The disregard of prior Judges standing orders and the refusal to allow discovery even from an expert witness presented to the court by the Plaintiff, and the drafted ***ex parte*** and signed Court Orders clearly have turned this litigation into a mockery of justice. The Defendant needs to assess the damage to the case and ask for such equitable remedies that are clearly due the Defendant and is necessary to take place before a mistrial's applicability can be assessed by the Defendant.

---

[5] Note **Attachment "F"** attached hereto. Document marked #1 is an ***ex parte*** communication from Plaintiff Rakowsky's counsels sent to Chief Judge Renee Lee on February 22, 2011, which was cited by Judge Seals in his order denying the Defendant access to records of the monies funded on his behalf to John Rakowsky. The letter arrogantly states the Defendant was not copied and the contents were kept from the Defendant, clearly confirming ***ex parte*** communications. Document #2 is another ***ex parte*** communication dated June 22, 2011, to Chief Judge Renee Lee with the only people being copied being John Rakowsky, Adrian Falgione and Andrew Lindeman, the three counsel of record from the underlying case who refuse to produce the legally required "informed consent" agreement. The Defendant was again excluded and the manifestly false contents of this letter were reviewed by the Court, taken as fact, and acted upon without the knowledge or input of the Defendant. **"Enough is Enough"**

The Defendant/Defendants would own any executed informed consent agreement which legally has to be the basis of any enforceable legal settlement in the underlying case and the legally mandated blueprint for the distribution of litigation and/or settlement funds in this proceeding. Yet the Plaintiff, Plaintiffs' counsels, Defendant Falgione, Mr. Bruner, Mr. Falgione's counsel, Andrew Lindeman counsel for Horry County, all counsels in the underlying case have refused to provide the informed consent agreement claiming everything from attorney client privilege to discovery is not applicable in the present lawsuit, as baseless rationale for not providing this case defining document ***(emphasis added)***.[6]

Plaintiff Rakowsky who brought the present legal action against the Defendants, acknowledged the executed informed consent agreement would not be turned over to the Defendant (**See Attachment "E"**). Plaintiff's counsel Desa Ballard says she will not supply the informed consent agreement because it is both unnecessary to be produced for this case and that the Plaintiff does not have to produce this document because it is privileged attorney client information. Plaintiff Rakowsky and Mr. Falgione were Defendants' lawyers and their claim of privilege does not exist in these circumstances because Defendants are being forced to subpoena documents that belong to them ***(emphasis added)***. These are documents that they are alleged to have seen, were primary participants in

[6] Unbelievably, Ms. Weissenstein's response of "it is what it is" which she placed on the Court record during the February 25, 2014, hearing before Your Honor in answer to Defendant's request for discovery, continues to demonstrate a cold contempt for the rights of the Defendants and the rule of law ***(emphasis added)***. The Court to date has apparently adopted and made this the legal mantra for the present proceeding by continuing the eight year moratorium on both discovery and cross examination by the Defendants, despite the standing oral Orders of Chief Judge James Barber issued on May 7, 2012 to the contrary, Orders which Ms. Weissenstein acknowledged and agreed to on the record on that date.

accepting and/or drafting their terms, unanimously agreed to and confirmed this by each of the seven clients executing their signature in writing on the document of "informed consent." These are documents that are alleged to have been created during the attorney client relationship in the underlying case. They certainly are not privileged as to the attorney's own clients!

Furthermore, Plaintiff Rakowsky, based on his own statements could not figure out how to use the Federal Case Management/Electronic Case Files System (CM/ECF). Thus, he provided his password and access codes and he and his co-counsel, Adrian Falgione, insisted that Nick Williamson PhD. and James Spencer both draft the pleadings and enter them into the CM/ECF System and use Mr. Rakowsky's and Mr. Falgione's names as the authors. Additionally, Mr. Williamson and Defendant also respond to the vast majority of correspondence as outlined in the attached affidavit marked "G". (This affidavit includes supporting copies of primary documents evidencing this, a fact which both John Rakowsky and Mr. Falgione untruthfully denied to Judge Seals on the Court record on July 11, 2011. Furthermore, neither James Spencer nor Nick Williamson ever drafted, signed or saw any settlement documentation including the legally required informed consent agreement and have no knowledge of the existence of any of the documents, including the document of informed consent, Mr. Rakowsky and Mr. Falgione claimed are in existence. The documentation attached to Affidavit "G" further proves that both Mr. Rakowsky and Mr. Falgione, and their counsels have no reluctance when it comes to being untruthful to the court and do not care about the

rules and regulations required in practicing before the South Carolina Federal District Court nor the South Carolina Circuit Court. **(See Attachment "G")**

In regard to the Court's right to limit discovery under Rule 26, after eight years of requests by the Defendants to conduct discovery, not one discovery request has been answered by Plaintiff. Under **(i)** there is no way the Court can legitimately claim discovery requests made in this case are unreasonably cumulative or duplicative as there simply has been no discovery in this case to date conducted by the Defendants as the Plaintiff has refused to comply with all discovery requests for eight years. Regarding, **(ii)** discovery requests were made immediately after the case was filed in 2008 by the Defendants; every request has been denied, and therefore, this section certainly does not warrant the Court denying the Defendant's discovery requests as the party seeking discovery has been denied discovery period. Finally, **(iii)** the turning over of the case's defining document, executed in handwriting by all seven plaintiffs, known as the document of "informed consent" required under South Carolina Appellate Rule 407, 1.8(g) as adopted under South Carolina Federal District Court Local Rule 83.I.08, which will document the payment of the settlement due to each party including both litigation funds and settlement funds, cannot in anyway be defined by the Court as unreasonably burdensome. Furthermore, it will conserve the Court's resources and conserve the resources of all the Defendants and the Plaintiff if the documents are provided as requested. Mr. Rakowsky and his counsel, Desa Ballard, have both confirmed the existence of the document and

also refused to turn it over along with the other officers of the Court in attendance when the settlement agreement was allegedly made on May 8, 2007.

Furthermore, the records sought from alleged expert witness Mara T. Ballard will also identify who provided the funds to Plaintiff Rakowsky and who therefore, has the right to the litigation funds. Again, production of such documentation is not only required by Mara T. Ballard's report being presented as evidence to the court under Rule 26 as stated herein above, but also it will conserve the Court's resources and both the Plaintiff's and Defendants' resources. Such records are required to be kept under the South Carolina Code of Professional Conduct (SCRPC). Rule 1.15 of the SCRPC regarding procedures required for the Safekeeping Property requires that records on each client are to be kept separate and withdrawals and deposits by each client be accounted According to both the Plaintiff, John Rakowsky and his attorneys, Desa Ballard and Stephanie Weissenstein, have confirmed time and again the financial records were and have been maintained in accordance with the South Carolina Rules of Professional Conduct. Therefore, besides being required to produce the records from which Mara T. Ballard derived the findings she presented to this Court, there should have been no dispute as to the sources of litigation funds and the ownership of the undisputed litigation funds through the records required to be in existence and have been confirmed to be in existence by both the statements and actions for eight years of Plaintiff Rakowsky and his counsel Desa Ballard. These records should be produced forthwith as they are not confidential and, therefore, are not covered by Attorney Client privilege.

Finally, as a matter of law and public policy you cannot invoke attorney client privilege to conceal the fact a legally required document just doesn't exist. In the present case either the legally required informed consent document does not exist and fraud is being perpetrated by the officers of the court in this and the underlying case because there was/is no informed consent agreement, which is the real reason (***emphasis added***), officers of the court Mr. Rakowsky, Mr. Falgione, Ms. Ballard, and Mr. Bruner do not produce the informed consent agreement, or the document should be produced and the proceeding can end. Their stated reasons for not producing the document of informed consent of there being no requirement for discovery in this case or their improper invocation of attorney client privilege are nothing but a furtherance of fraud on the court and the violation of the Defendant's rights of equal protection and due processs under the Fifth and Fourteenth Amendements of the United States Constitution. It is the duty of this Court to expose fraud on the court. Therefore, the Defendant prays the Court compel the production of the subpoeaned documents and the depositions of Mr. Rakowsky, and Mara T. Ballard, and through the production and examination of these documents determine who is both committing fraud upon the court and also misuse of judgical process.

In any event, the undisputed amount of litigation funds of $7,691.78 needs to be ordered turned over forthwith as the abuse of the judicial system in keeping these undisputed funds tied up in as part of an interpleader action is both unwarranted and a misuse of judicial due process. This has been allowed to go on long enough by the Court. After the $7,691.78 of undisputed litigation funds, is

turned over to the Defendant, the court, given the aforemented should declare a mistrial. This case has gone on for over eight years without discovery being allowed to be conducted by the Defendant. These eight years personify Judge Harwell's now "purloined phrase" regergitated by Mr. Bruner, **"enough is enough."**

The "phantom" defining informed consent agreement needs to be produced by Ms. Ballard and Plaintiff's half-truths and untruths need to stop.

It is also time to stop the creation of phantom couriers [Mr. Bruner] in the commission of acts of fraud on the court and the court needs to determine through the production and examination of the subpoenaed documentation which set of officers of the court are committing fraud on the court in the present case. Also as ordered by Judge Barber on May 7, 2012, it is time for the "pen pals" [Mr. Bruner and Ms. Ballard in the present case] to stop the ***ex parte*** communications, communications as cited herein above which are forbidden by the South Carolina Supreme Court.

INITIAL REMEDY

The Defendant prays that this Court (1) grant the motion to compel discovery as outlined herein by August 15, 2014, (2) release **immediately**,without preconditions, the $7,691.78 that all parties, and Your Honor have both determined and also stated on the court record are undisputed litigation funds due to the Defendant. (The funds should have been released the day Plaintiff John Rakowsky resigned as counsel on July 13, 2007.), (3) agree to a sanctions hearing to be held

regarding the prior actions of Plaintiff Rakowsky and his counsel Desa Ballard, one that has been pending since December 20, 2011, and that the Defendant expand such sanctions hearing to include the new inappropriate conduct as brought forth herein, (4) permit discovery to determine the damage that has been done to the present case that has continued for eight years due to the actions by the Plaintiff and his counsels.

Plaintiff John Rakowsky filled this interpleader without regard for his former clients for two reasons. The first reason was to tie up the uncontested litigation funds so the former clients, who are both indigent and disabled, would be unable to economically afford access to the courts. The second reason was to have the South Carolina Circuit Court force the consumation of an illegal settlement onto his former clients.

If the court refuses to grant the above initial remedy, the Defendant moves in the alternative for the court to comply with the law and order the immediate release of the $7,691.78 of undisputed litigation funds without preconditions to the Defendant forthwith, and subsequent to the Defendants' receipt of the funds the court declare a mistrial based on the court's refusal to allow highly relevant discovery, discovery that has been orderd to occur by Judge Barber, orders which under South Carolina law cited herein cannot be overruled by another circuit court judge and is discovery which is also required to be conducted under Rule 26 of the SCRCP. The mistrial should furthermore be granted without question because of the ***ex parte*** communications with the court that have already occurred, by John Rakowsky through counsel Desa Ballard and Adrian Falgione through counsel

CERTIFICATE OF SERVICE

I, James Spencer, ***Pro Se***, defendant do hereby certify that the foregoing **OMNIBUS EMERGENCY MOTION TO COMPEL** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Desa Ballard, Esquire
Ballard, Watson & Weissenstein
PO Box 6338
West Columbia, SC 29171

Andrew F. Lindemann
Davidson & Lindemann, P.A.
PO Box 8568
Columbia, SC 29202

Benjamin Bruner
Bruner, Powel, Wall & Mullins, LLC
1735 St. Julian Place, Suite 200
Post Office Box 61110
Columbia, South Carolina 29260-1110

Michael G. Sribnick, M.D., J.D., LLC
3 Kenilworth Avenue
Charleston, S.C. 29403
Telephone: (843) 789-3504
Fax: (843) 720-8907
michael.g.sribnickmdjdllc@gmail.com

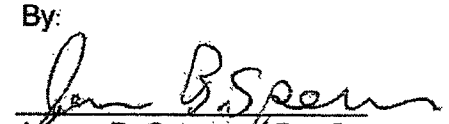
By: _____
James Spencer, *Pro Se* Defendant
Box 183
7001 Saint Andrews Road
Columbia, SC 29212
(803) 414-0889

Benjamin Bruner, the contents and impact of which will never be known with certainty.

RESPECTFULLY SUBMITTED

This 28th day of July, 2014.

By:



James B. Spencer, *Pro Se*
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212
(803) 414-0889

Attachment "A"
Page 1 of 6

STATE OF SOUTH CAROLINA

ISSUED BY THE CIRCUIT COURT IN THE COUNTY OF RICHLAND

JOHN RAKOWSKY, Plaintiff

v. SUBPOENA IN A CIVIL CASE

ADRIAN FALGIONE, et al., Defendants Case Number: 2008-CP-6656

Pending in RICHLAND County

TO: JOHN RAKOWSKY

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☒ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a **VIDEOTAPED** deposition in the above case.

PLACE OF DEPOSITION-**VIDEOTAPED**-	DATE AND TIME
Irmo Public Library Conference Room, 6251 Saint Andrews Road Columbia, SC 29212 - applicable mileage rates will be paid to Mr. Rakowsky after the deposition.	July 25, 2014, 10:00 AM

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents of objects:

See attached.

PLACE	DATE AND TIME
Box 183, 7001 Saint Andrews Road, Columbia, SC 29212.	July 14, 2014, 5:00 PM

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THIS SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(c)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES.

Michael G. Scribnick 07/03/2014 **Michael G. Scribnick**

Attorney-Issuing Officer's Signature Date Print Name

Indicate if Attorney for Plaintiff or Defendant

Attorney's Address and Telephone Number

Attorney for the Defendants, Lail, Santacroce, & Estate of Doris Holt, 3 Kenilworth Ave., Charleston, SC, 29403, 843-789-3504

Clerk of Court/Issuing Officer's Signature Date Print Name

Pro Se Litigant's Name, Address and Telephone Number:

SCCA 254 (11/2013) (See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on pages 2 and 3)

ATTACHMENT TO SUBPOENA DUCES TECUM

As a matter of law in this case as established by both the South Carolina Supreme Court, *South Carolina Court Rule 407, 1.8 (g)* and adopted by the South Carolina Federal District Court, *Federal District Court Local Rule 83.I.08*, in order for there to be a lawful settlement in the underlying case, a settlement claimed by Plaintiff John Rakowsky, there has to be a document of "informed consent" signed in writing by each of the seven individual clients who each had different interests and also different claims in the underlying proceeding. This document is required to show the participation of each client, who are defendants in the present case, in the aggregate settlement. This is a defining document in the present case, yet this document, which by law has to be in existence if there was a true settlement, has not been produced to date.

Therefore, please **provide the "document of informed consent" with the written signatures of all seven clients** that was the legally required basis for the alleged settlement agreement in the underlying case **CIVIL ACTION NO.: 4:02-1859-RBH, (Southern Holdings, Inc., et al. v. Horry County, et al.).** A document which will show the agreed upon distribution of the aggregate settlement among the client-defendants in the present case, a key question currently before this court.

PROOF OF SERVICE

SERVED	DATE	FEES AND MILEAGE TENDERED TO WITNESS
	PLACE	☐YES ☐NO AMOUNT $
SERVED ON		MANNER OF SERVICE
SERVED BY		TITLE

DECLARATION OF SERVER

I certify that the foregoing information contained in the Proof of Service is true and correct.

Executed on_____

SIGNATURE OF SERVER

ADDRESS OF SERVER

Rule 45, South Carolina Rules of Civil Procedure, Parts (c) and (d):

(c) **Protection of Persons Subject to Subpoenas.**

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court on behalf of which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2)(A) A person commanded to produce and permit inspection and copying of designated electronically stored information, books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial. A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable costs of reproduction.

(B) Subject to paragraph (d)(2) of this rule, a person commanded to produce and permit inspection and copying may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to inspection or copying of any or all of the designated materials or of the premises—or to producing electronically stored information in the form or forms requested. If objection is made, the party serving the subpoena shall not be entitled to inspect and copy the materials or inspect the premises except pursuant to an order of the court by which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time in the court that issued the subpoena for an order to compel the production. Such an order to compel production shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection and copying commanded.

(3)(A) On timely motion, the court by which a subpoena was issued, or regarding a subpoena commanding appearance at a deposition, or production or inspection directed to a non-party, the court in the county where the non-party resides, is employed or regularly transacts business in person, shall quash or modify the subpoena if it:

(i) fails to allow reasonable time for compliance; or

(ii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to travel more than 50 miles from the county where that person resides, is employed or regularly transacts business in person, except that, subject to the provisions of clause (c)(3)(B)(iii) of this rule, such a person may in order to attend trial be commanded to travel from any such place within the state in which the trial is held; or

(iii) requires disclosure of privileged or otherwise protected matter and no exception or waiver applies; or

(iv) subjects a person to undue burden.

(B) If a subpoena:

(i) requires disclosure of a trade secret or other confidential research, development, or commercial information, or

(ii) requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on pages 2 and 3)

(iii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to incur substantial expense to travel from the county where that person resides, is employed or regularly transacts business in person, the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1)(A) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

(B) If a subpoena does not specify the form or forms for producing electronically stored information, a person responding to a subpoena must produce the information in a form or forms in which it is ordinarily maintained or in a reasonably usable form or forms.

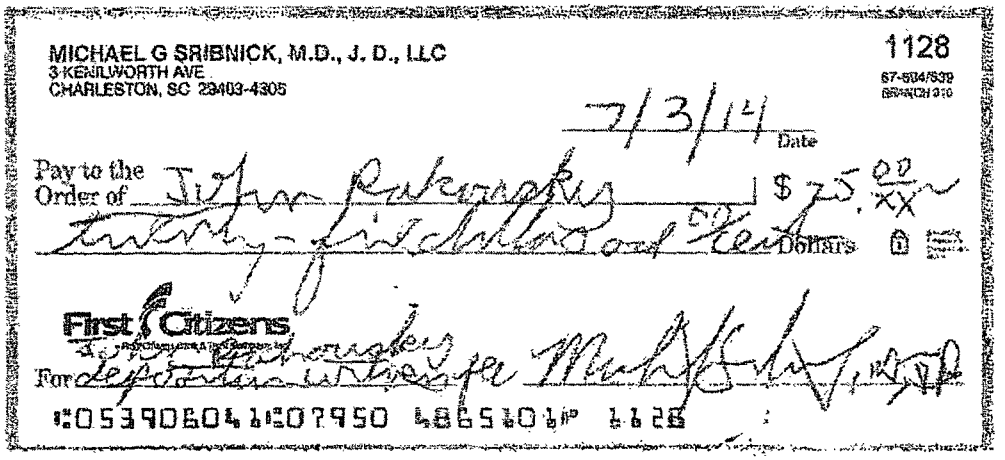
(C) A person responding to a subpoena need not produce the same electronically stored information in more than one form.

(D) A person responding to a subpoena need not provide discovery of electronically stored information from sources that the person identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or to quash, the person from whom discovery is sought must show that the information sought is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(6)(B). The court may specify conditions for the discovery.

(2)(A) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(B) If information produced in response to a subpoena is subject to a claim of privilege or of protection as trial preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has and may not use or disclose the information until the claim is resolved. A receiving party may promptly present the information to the court under seal for a determination of the claim. If the receiving party disclosed the information before being notified, the receiving party must take reasonable steps to retrieve the information. The person who produced the information must preserve the information until the claim is resolved.

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on pages 2 and 3)



MICHAEL G SRIBNICK, M.D., J. D., LLC
3 KENILWORTH AVE
CHARLESTON, SC 29403-4305

1128
67-504/539

7/3/14
Date

Pay to the Order of Julian Rakowsky $ 25.00 XX

twenty-five and 00/100 Dollars

First Citizens

For deposition transcript

⑆053904041⑆07950 4865101⑈ 1128

STATE OF SOUTH CAROLINA

ISSUED BY THE CIRCUIT COURT IN THE COUNTY OF RICHLAND

JOHN RAKOWSKY, Plaintiff

v.

SUBPOENA IN A CIVIL CASE

ADRIAN FALGIONE, et al., Defendant

Case Number: 2008-CP-6656

Pending in RICHLAND County

TO: MARA T. BALLARD

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☒ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a **VIDEOTAPED** deposition in the above case.

PLACE OF DEPOSITION **-VIDEOTAPED-**	DATE AND TIME
Irmo Public Library Conference Room, 6251 Saint Andrews Road Columbia, SC 29212 - applicable mileage rates will be paid to Ms. Ballard after the deposition.	July 25, 2014, 3:00 PM

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents of objects:

See attached.

PLACE	DATE AND TIME
Box 183, 7001 Saint Andrews Road, Columbia, SC 29212.	July 17, 2014, 5:00 PM

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(a)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES.

Michael G. Sribnick, Jr. 07/03/2014 Michael G. Sribnick

Attorney/Issuing Officer's Signature — Date — Print Name

Indicate if Attorney for Plaintiff or Defendant

Attorney's Address and Telephone Number:

Attorney for Defendants Lail, Santacroce & Estate of Doris Holt, 3 Kenilworth Ave, Charleston, SC, 843-789-3504

SCCA 254 (11/2013)

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on pages 2 and 3)

ATTACHMENT TO SUBPOENA DUCES TECUM

Please produce any and all documents, primary and other, used by Mara Ballard to produce her expert's report submitted to this court, dated April 17, 2014. This request includes all Mara Ballard's notes, calculations, correspondence, bills, travel logs, work logs, annotations, notes pertaining to conversations, interviews, library materials, telephone calls, in any form electronic or otherwise including, but not limited to production of documents that were reviewed and discarded and previous drafts of or related to the work product that was presented to the court as MTB0001 through MTB0145.

Under Rule 26 of the South Carolina Rules of Civil Procedure Mara Ballard, who identifies herself as an expert in the present case and presents an expert report to the court, on behalf of Plaintiff Rakowsky, is subject to discovery and deposition regarding the basis of her report, her credentials, scope of examination and her knowledge concerning matters before the court.

PROOF OF SERVICE

SERVED	DATE	FEES AND MILEAGE TENDERED TO WITNESS
	PLACE	☐YES ☐NO AMOUNT $
SERVED ON		MANNER OF SERVICE
SERVED BY		TITLE

DECLARATION OF SERVER

I certify that the foregoing information contained in the Proof of Service is true and correct.

Executed on_____

SIGNATURE OF SERVER

ADDRESS OF SERVER

Rule 45, South Carolina Rules of Civil Procedure, Parts (c) and (d):

(c) Protection of Persons Subject to Subpoenas.

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court on behalf of which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2)(A) A person commanded to produce and permit inspection and copying of designated electronically stored information, books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial. A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable costs of reproduction.

(B) Subject to paragraph (d)(2) of this rule, a person commanded to produce and permit inspection and copying may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to inspection or copying of any or all of the designated materials or of the premises—or to producing electronically stored information in the form or forms requested. If objection is made, the party serving the subpoena shall not be entitled to inspect and copy the materials or inspect the premises except pursuant to an order of the court by which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time in the court that issued the subpoena for an order to compel the production. Such an order to compel production shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection and copying commanded.

(3)(A) On timely motion, the court by which a subpoena was issued, or regarding a subpoena commanding appearance at a deposition, or production or inspection directed to a non-party, the court in the county where the non-party resides, is employed or regularly transacts business in person, shall quash or modify the subpoena if it:

(i) fails to allow reasonable time for compliance; or

(ii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to travel more than 50 miles from the county where that person resides, is employed or regularly transacts business in person; except that, subject to the provisions of clause (c)(3)(B)(iii) of this rule, such a person may in order to attend trial be commanded to travel from any such place within the state in which the trial is held; or

(iii) requires disclosure of privileged or otherwise protected matter and no exception or waiver applies; or

(iv) subjects a person to undue burden.

(B) If a subpoena:

(i) requires disclosure of a trade secret or other confidential research, development, or commercial information, or

(ii) requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on pages 2 and 3)

(iii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to incur substantial expense to travel from the county where that person resides, is employed or regularly transacts business in person, the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1)(A) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

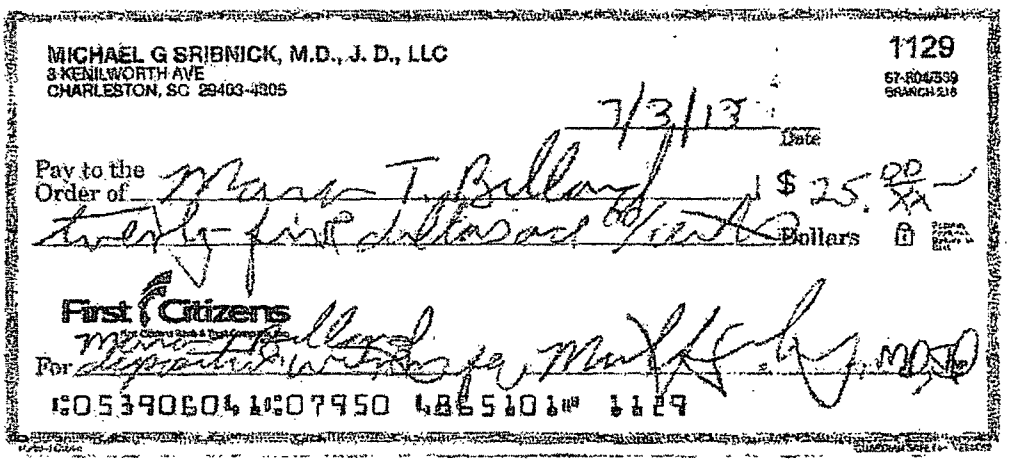
(B) If a subpoena does not specify the form or forms for producing electronically stored information, a person responding to a subpoena must produce the information in a form or forms in which it is ordinarily maintained or in a reasonably usable form or forms.

(C) A person responding to a subpoena need not produce the same electronically stored information in more than one form.

(D) A person responding to a subpoena need not provide discovery of electronically stored information from sources that the person identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or to quash, the person from whom discovery is sought must show that the information sought is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(5)(B). The court may specify conditions for the discovery.

(2)(A) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(B) If information produced in response to a subpoena is subject to a claim of privilege or of protection as trial preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has and may not use or disclose the information until the claim is resolved. A receiving party may promptly present the information to the court under seal for a determination of the claim. If the receiving party disclosed the information before being notified, the receiving party must take reasonable steps to retrieve the information. The person who produced the information must preserve the information until the claim is resolved.



MICHAEL G SRIBNICK, M.D., J. D., LLC
3 KENILWORTH AVE
CHARLESTON, SC 29403-4805

1129

57-R04/539
BRANCH 218

7/3/13
Date

Pay to the Order of Mary T. Bullard $ 25.00

twenty-five dollars and no/100 Dollars

First Citizens

For Medical Supplies

⑆053904604⑆07950 4865101⑈ 1129

Attachment "C"

James B. Spencer

From:	Early, Doyet A. Law Clerk (Cassie M. Weathersbee) [dearlylc@sccourts.org]
Sent:	Tuesday, June 17, 2014 3:18 PM
To:	Desa Ballard; James B. Spencer; Michael Sribnick
Cc:	Beth Cogan; Jennifer M. Baker; Andrew Lindemann; Ben Bruner
Subject:	Rakowsky v. Falgione; 2008-CP-40-6656

Please see below for correspondence from Judge Early:

I have today signed, and sent to the Clerk of Court, my Order regarding the litigation expenses. I am requesting each side to inform me of their position on what remains in the state action and what discovery time is needed to ripen all issues for final disposition.

Thank you,

Cassie Weathersbee Hall, Esq.
Law Clerk to the Honorable D.A. Early, III The Circuit Court of the 2nd Judicial Circuit PO Box 90 Bamberg, SC 29003
Telephone: 803.245.4004
Fax: 803.245.2983
dearlylc@sccourts.org<mailto:dearlylc@sccourts.org>

Attachment "D"

James B. Spencer

From: Michael Sribnick [michael.g.sribnickmdjdllc@gmail.com]
Sent: Wednesday, July 09, 2014 4:10 PM
To: David L.
Subject: Fwd: Rakowsly v. Falgione, Case No. 2008-CP-40-6656

---------- Forwarded message ----------
From: **Desa Ballard** <desab@desaballard.com>
Date: Wed, Jul 9, 2014 at 3:54 PM
Subject: Rakowsly v. Falgione, Case No. 2008-CP-40-6656
To: michael.g.sribnickmdjdllc@gmail.com, BBruner@brunerpowell.com
Cc: alindemann@dml-law.com, beth@desaballard.com, mara@desaballard.com, Mara Ballard <Mara@desaballard.com>, Beth Cogan <Beth@desaballard.com>

Dear Mr. Sribnick:

We are in receipt of copies of your subpoenas to Mara Ballard and John Rakowsky setting depositions and requesting documents. Setting aside the numerous defects in the subpoenas and the service, I wanted to give you an opportunity to withdraw the subpoenas. You are well aware that Judge Early has requested a proposed order from Mr. Bruner (provided by Mr. Bruner with letter dated July 3, 2014) that indicates no discovery is going to be permitted in this action.

Please withdraw the subpoenas (via email is sufficient) by close of business on Friday, July 11, 2014, or we will file an appropriate motion, which will include a request for sanctions against you personally as well we your clients.

I look forward to hearing from you; I genuinely hope you do not make this more difficult than it already is.

db

c: James Spencer (via U.S. mail only)

Attachment "E"

James B. Spencer

From: Michael Sribnick [michael.g.sribnickmdjdllc@gmail.com]
Sent: Thursday, July 10, 2014 3:22 PM
To: Desa Ballard; Early, Doyet A. Law Clerk (Cassie M. Weathersbee); David L.
Cc: Beth Cogan; Andrew Lindemann; Ben Bruner; Mara Ballard
Subject: Re: Depositions and document production via subpoena.

Dear Ms. Weathersbee:
I have still not had my answer as to who drafted the litigation funds order.
Regards, I am
Dr. Michael G. Sribnick, Esq.

On Thu, Jul 10, 2014 at 10:40 AM, Desa Ballard <desab@desaballard.com> wrote:

Mr. Sribnick:

Let me clear. Neither Ms. Ballard nor Mr. Rakowsky will be producing documents or appearing at the depositions you have scheduled.

db

C: James Spencer, via U.S. mail only

Desa Ballard

Ballard & Watson

Attorneys at Law

Telephone 803.796.9299

Facsimile 803.796.1066

E-mail: desab@desaballard.com, copy to mara@desaballard.com

1 of 2

Attachment "F"
Document # 1
Page 1 of 2

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6358 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desaballard.com

Tuesday, February 22, 2011

RECEIVED
FEB 23 2011
BY:

Via U.S. Mail
Honorable Alison Renee Lee
Richland County Judicial Center
1701 Main Street, Room 324
Post Office Box 192
Columbia, South Carolina 29202-0192

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Judge Lee:

Enclosed is a full copy the Motion to Strike and to File under seal in the above referenced matter that was sent to the Clerk of Court today for filing. Unlike the filed copy, this copy includes the confidential exhibits for the court's consideration *in camera*. These exhibits were likewise not provided to the opposing parties.

Thank you for your time in this matter. If you have any questions please do not hesitate to contact me, or Stephanie Weissenstein.

With warm personal regards, I am,

Sincerely yours,

Brooks Schumacher
Paralegal
brooks@desaballard.com

c: John Rakowsky, Esquire (Via E-mail)

FEB 23 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED
C.C.C.P.&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

2 of 2 SJC

Documents under seal — for review by the court only

22 JUL 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED
C.C.C.P.&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

1 of 2 SFR

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1966 | desaballard.com

June 24, 2011

RECEIVED
JUN 27 2011
BY:

Via U.S. Mail
Honorable Alison Renee Lee
Richland County Judicial Center
1701 Main Street, Room 324
Post Office Box 192
Columbia, South Carolina 29202-0192

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Judge Lee:

Although date-certain scheduling is not the common or preferred method in South Carolina, I hereby request that in this circumstance, you please consider issuing such a scheduling order.

On behalf of the Plaintiff, attorney John Rakowsky, we filed the original complaint seeking to interplead funds on September 12, 2008 and served it on the Defendants. On October 20, 2008, some of the Defendants filed a motion demanding the immediate release of the funds. An Amended Complaint was filed on November 17, 2008, and this matter was called for hearing on January 19, 2010. The Court received notice from several individuals that additional claims would be made against the disputed funds, so the Court issued its judgment on May 21, 2010, denying Defendants' motion to release funds and requesting that the new parties be added to the action as defendants.

Plaintiff filed a motion pursuant to Rule 15, SCRCP, requesting an order permitting him to join new parties whose existence and involvement have been revealed through this matter and to delete claims against those who were not proper parties or who are no longer involved in the matter. Present at the hearing on Plaintiff's motion were the undersigned, Defendant Adrian L. Falgione; and counsel for Defendant Horry County. I affirmed that notice of the motion and hearing were served upon all defendants pursuant to Rule 5, SCRCP, but none had appeared.

The case was placed on the roster for August 9, 2010, but the hearing could not be scheduled until November 1, 2010. As a result, a Second Amended Summons and Complaint were filed and served. The amended complaint included defendant John Doe, who was served by publication pursuant to South Carolina Code § 15-67-40 (1976, as amended).

The case was called again for trial and the undersigned appeared at the roster meeting on May 11, 2011. Defendant Spencer announced to the Court that due to the last minute nature of the pending trial, some of the defendants would not be available to attend and he requested a continuance.

Your Honor, this case has been pending since 2008, and we feel the substantive issues are relatively simple: there is money held in trust and multiple parties claim to be owed a portion or all of it. Because this case has many *pro se* defendants who are antagonistic to plaintiff, the case continues to be delayed. We believe that a Date Certain Trial will give to all the parties enough notice that further delays and continuances will not be allowed, and this matter can finally be resolved. I consulted with counsel for Horry County and with Defendant Adrian Falgione, Esquire, regarding this request and they consent.

Please call me if you have any questions regarding this request for scheduling. Thank you for your consideration.

With warm personal regards, I am,

Sincerely yours,

Stephanie Weissenstein

Stephanie Weissenstein
stephanie@desaballard.com

cc: John R. Rakowsky, Esquire *(via U.S. mail)*
Adrian Falgione *(via U.S. mail)*
Andrew F. Lindemann, Esquire *(via U.S. mail)*

22 JUN 2011
CERTIFIED TRUE COPY
OF ORIGINAL FILED
C.C.C.P.&G.S.
RICHLAND COUNTY
SOUTH CAROLINA

Attachment "G"

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
Case No. **2008-CP-40-6656**

John R. Rakowsky,

Plaintiff,

v.

Adrian L Falgione, et al.,

Defendants.

AFFIDAVIT OF NICHOLAS C. WILLIAMSON

PERSONALLY APPEARED before me the undersigned Nicholas C. Williamson, PhD., who after being duly sworn states the following:

1. I am over the age of eighteen (18) years and am competent to testify and state the matters set forth herein. I have personal knowledge of the matters so stated, except those matters stated on information and belief, and as to those, I have a good faith basis for believing them to be true. I have been a tenured or tenure-track Assistant Professor or Associate Professor of Marketing at the University of North Carolina at Greensboro since 1983, and I have no formal or informal legal training.
2. I was Chairman of the Board of Southern Holdings, Inc., during the year 2007.
3. John Rakowsky was hired to represent Southern Holdings, Inc., based upon the request and recommendation of Charles Cooper, Esquire, who was a key counsel in the underlying litigation that gives rise to this interpleader. Charles Cooper's endorsement along with the credentials presented by John Rakowsky resulted in a vote of approval to engage Mr. Rakowsky to be part of the legal team by a vote of the Southern Holdings, Inc., Board of Directors.

4. At a meeting during May 2005, both Mark Hardee and Ron Serota were proposed to be added to the legal team to replace attorney Charles Cooper who suddenly died in 2003 and his brother, James Cooper, who was impacted by the death of his brother to such a degree that he decided to wind down his law practice.
5. I was in attendance at the meeting in May of 2005 along with Judge John Rakowsky, Mark Hardee, Esquire and James Spencer when Mark Hardee and Ron Serota came to terms on a representation agreement with Mr. Spencer and a separate agreement with me in my capacity with Southern Holdings, Inc. I had authority from the Southern Holdings, Inc., Board of Directors at the time to authorize the engagement of Mark Hardee and Ron Serota. The meeting was held in Columbia, South Carolina in the library of Mark Hardee's law firm. It was at this meeting that Southern Holdings, Inc., added the services of Ron Serota and Mark Hardee and confirmed Judge John Rakowsky as the new lead counsel in the underlying litigation.
6. At this meeting James Spencer and I discussed with Mr. Rakowsky the differences in the types of claims and the vast differences in the amount of monetary claims by each plaintiff in the underlying litigation to the present case. Mr. Rakowsky stated that no settlement agreement for the case for which they were being retained could be unilaterally made by the seven clients' lawyers without a unanimous written agreement of consent as to the specific terms, conditions and monetary payout to each client in any proposed settlement. He went on to state that these terms, conditions and individual payouts had to be reviewed and accepted unanimously in writing by each of the seven plaintiffs under South Carolina Rule 407. I was made aware at this meeting that Rule 407 was part of the Federal Rules adopted by the South Carolina Federal District Courts that were applicable to the underlying case.
7. I was informed by Mr. Rakowsky that this rule was adopted by the South Carolina Federal District Courts to protect the individual clients when they have common representation from being taken advantage of by an unscrupulous attorney and that the presiding judge, Judge Harwell, was required to enforce this rule.
8. This subject was very important to me as a representative of Southern Holdings,

Inc. With the change in counsel and the differences in claims between and among the seven parties the corporation was considering engaging a counsel separate from the other plaintiffs since the corporation had the vast majority of the monetary damage claims, a fact which had to be addressed. The corporation certainly did not have medical claims that the individual plaintiffs had and was not interested in the pursuit of these individual claims of the other plaintiffs. I was worried about any potential liability from the shareholders if I did not make sure that the corporation's interests were not adequately protected and addressed separately from the interests of the other six plaintiffs. The acknowledgement of the separate claims and interests of the parties who were undertaking the common representation was previously understood and was part of the agreements executed with attorneys Michael Goldberg and Charles Cooper. I was a part of those negotiations and voted in favor of that initial legal agreement of representation for Southern Holdings, Inc. and a separate agreement for myself, and based upon reason and belief knew about each agreement independently reached with the seven individual plaintiffs.

9. The original seven agreements with Michael Goldberg's law firm executed by each individual party stated that no agreement would be made without the written consent of each individual party. Mr. Rakowsky assured both Mr. Spencer and me that this was automatic in this case as South Carolina Rule 407 precluded any individual client from being forced into an agreement without his (her) explicit acceptance recognized by an agreement executed in writing to all the terms and conditions impacting him prior to the acceptance of any settlement agreement with the opposing parties. Mr. Rakowsky emphasized that the authorization agreement was required to be signed by all the individual plaintiffs and that the agreement would, among other things, lay out in detail the share of the proceeds of any settlement that would go to each plaintiff he represented. He said that this requirement precluded the possibility that a settlement agreement could be reached and approved without the approval of all parties in writing under any circumstances.
10. On July 18, 2005, on the eve of trial, the case was appealed by the Defendants.
11. Over a year later, the Fourth Circuit denied the appeal and the case was resumed

in August 2006.

12. Also, unexpectedly in August 2006, Mark Hardee resigned in what Mr. Hardee related to the clients was a dispute with Mr. Rakowsky and Mr. Serota over legal procedures, methodology and the lack of capabilities of Mr. Serota and Mr. Rakowsky's inability to properly manage a case of this magnitude.
13. Immediately after Mark Hardee resigned from the case Adrian Falgione, Esquire, was introduced by John Rakowsky as his handpicked candidate to replace Mr. Hardee. Mr. Falgione immediately began working on the case pending his approval by the seven individual clients including the Southern Holdings, Inc., Board of Directors after a proper due diligence was conducted on Mr. Falgione's background.
14. Mr. Rakowsky gained the approval for Mr. Falgione of each of the individual seven plaintiffs, including the Southern Holdings, Inc. Board of Directors, individual members of whom Mr. Falgione flew to Las Vegas, Nevada to meet and solicit their support.
15. John Rakowsky and Mr. Falgione both claimed that Mr. Falgione had vast experience in federal litigation, including RICO civil actions to the individual plaintiffs and members of the Board of Directors. Adrian Falgione made his appearance in the proceeding for the first time on the court record on November 15, 2006. However, he did not execute contracts with the seven individual clients until February 1, 2007, through a contract addendum drafted by Mr. Spencer.
16. Upon notice that Mark Hardee was leaving the case the function performed by Mark Hardee's office of entering the seven plaintiffs' pleadings into the South Carolina Federal Judiciary's Case Management/Electronic Case Files System (CM/ECF) had to be taken over by the remaining attorneys. Mr. Rakowsky admitted he did not know how to use the CM/ECF system and he provided his federal password and instructed Mr. Spencer to learn the CM/ECF filing system. In that regard, an email account was created to enter the motions and pleadings into the CM/ECF System and Mr. Rakowsky and Mr. Falgione insisted that Mr. Spencer and I both draft and enter the pleadings into the CM/ECF System, in the absence of adequate legal staffing. **(See Attachment hereto.)**

17. From August 2006 up until May 2007, on an increasing basis, Mr. Rakowsky and Mr. Falgione, insisted that Mr. Spencer and I draft motions, pleadings and other necessary legal documents and correspondence for the Plaintiffs because Mr. Rakowsky and Mr. Falgione were "too busy preparing for trial" and they could not effectively both do trial preparation and also draft and/or respond to motions, all other legal documents including correspondence with opposing counsel, including email communications with opposing counsel. When the documents were electronically filed and/or correspondence was mailed the names of Mr. Rakowsky and Mr. Falgione were affixed to the documents instead of the actual drafters, who were Jim Spencer and myself.
18. Both Mr. Spencer and I repeatedly made it clear to Mr. Rakowsky and Mr. Falgione that we had no legal training. Mr. Rakowsky's response in this case was that we did not need any legal training because it was clear we were going to win and he and Adrian Falgione were going to focus on achieving this in the courtroom.
19. Shortly after the case resumed in August of 2006 and after Mark Hardee resigned and Adrian Falgione became involved, John Rakowsky threatened the plaintiffs by stating that if the plaintiffs did not get rid of attorney Ron Serota, both he and Adrian Falgione would resign from the case and leave the plaintiffs without local counsel at a crucial time in the litigation. Mr. Serota was consequentially terminated on March 26, 2007. This was orchestrated by Mr. Rakowsky and supported by Mr. Falgione's demands and statements that they could not work with Mr. Serota as he was unqualified to be on this case.
20. Subsequently, Mr. Rakowsky and Mr. Falgione refused to agree to add additional counsel, including an experienced RICO, counsel as they claimed that bringing in replacement counsel at this late date (August 2006) would ruin their plans to litigate the case and they would resign from the case if the Plaintiffs insisted on hiring additional counsel. This forced Mr. Spencer and me to continue to do the vast majority of the document related legal work including the legal research, drafting and entering the pleadings into the CM/ECF.
21. At the request of Mr. Spencer and myself, Dan Ivy, Esquire of Fayetteville,

Arkansas, a highly experienced lawyer, reviewed the case materials and contacted Mr. Rakowsky and offered to join the legal team to take up the legal research and drafting duties forced upon myself and Mr. Spencer and to offer his expertise as an experienced litigator in federal courts.

22. Mr. Rakowsky turned down the offer by Mr. Ivy and reiterated his threat to Mr. Spencer and me that he and Mr. Falgione would resign if the clients continued to interfere in his management of the case.

23. On or about May 1, 2007, I was informed by Mr. Rakowsky that I was not to attend the opening day of trial scheduled for May 9, 2007, nor the evidentiary hearings and jury selection scheduled for May 8, 2007, because he wanted to avoid my being served as the Chairman of the Board of Directors of Southern Holdings, Inc., by the Defendants in this action until a later date.

24. I was assured by Mr. Rakowsky that if there were any settlement discussions prior to or on the morning of trial, he was required under law to have the Board of Directors vote on the acceptance of any proposed settlement because the law required that I affix my signature as the Chairman of the Board of Southern Holdings, which was in accordance with what I had been told in the meeting (See paragraph 4 herein) the prior year with John Rakowsky and Mark Hardee.

25. Furthermore, I was reassured by Mr. Rakowsky that any proposed settlement had to be unanimously preapproved and accepted by all seven plaintiffs in writing before it could become a binding settlement agreement. Mr. Rakowsky again stated that this law was in place to protect multiple diverse individual clients using the same counsel. This was the same precondition raised by me that was confirmed as understood by Mr. Rakowsky prior to his accepting representation for myself and for the corporation in May of 2005 at the meeting at Mr. Hardee's office, see points five and six herein.

26. I made it clear to Mr. Rakowsky that the Board of Directors would need time to read and understand any proposed settlement including, but not limited to, the dollar impact on the corporation's claims.

27. I clearly informed Mr. Rakowsky and Mr. Rakowsky acknowledged he understood

that this process takes time and such time would be required before the Board could vote on any proposed settlement before it could be accepted for the corporation.

28. Mr. Rakowsky acknowledged to me again that he understood I would only have authority to execute the written consent agreement for a settlement agreement with specific authorization from the Board of Directors under Nevada Revised Statute (NRS) 78 which could take place only after their review of any of the proposed offers terms and conditions.

29. I was fully aware of NRS 78 as it was used as a legal guide for the drafting of the bylaws of Southern Holdings, Inc., a Nevada corporation.

30. The Board of Directors was never approached and Mr. Rakowsky had me deliberately stay away from the court proceedings of May 8, 2007 and May 9, 2007.

31. I never, drafted, signed and was never even provided any document constituting what is referred to as an "informed consent agreement" for the corporation nor me individually and never had the authority to sign one for the corporation nor did anyone else have such authority as it takes a confirming vote of the Board of Directors as required under the corporation's bylaws in conformance with NRS 78.

32. Neither I nor the Board of Directors ever knew about any settlement proposal nor any informed consent agreement prior to, on or after May 8, 2007, the newly revealed actual date of the pseudo settlement agreement as revealed in a sworn affidavit to the court by Mr. Rakowsky.

AFFIANT SAYETH FURHER NOT.

NOTARIZED SIGNATURE

Your Signature: _____

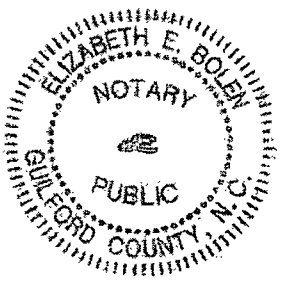
(To be signed in the presence of a Notary)

Subscribed and sworn before me, this 25 day of July of the year 2014.

Signature of Notary: _____

Expiration date of Commission: 7-24-15

Notary Seal or Stamp



From: "JamesBSpencer" <jamesbspencer@sc.rr.com>
To: <JRRakowskyCR@sc.rr.com>
Subject: Fw: HELLO TEST MESSAGE ON ACCOUNT SET UP
Date: Sunday, July 20, 2014 11:00 PM

----- Original Message -----
From: JRRakowskyCR
To: JRRAKOWSKYCR@sc.rr.com
Sent: Wednesday, November 15, 2006 2:19 PM
Subject: HELLO TEST MESSAGE ON ACCOUNT SET UP

Contents of this E-mail are Strictly Confidential

This e-mail and any files transmitted with it are the property of The Center for Legal Reform and/or its affiliates, are confidential,
and are intended solely for the use of the individual or entity to whom this e-mail is addressed. If you are not one of the named recipients or otherwise have reason to believe that you have received this e-mail in error, please notify the sender and delete this message immediately from your computer. Any other use, retention, dissemination, forwarding, printing or copying of this e-mail is strictly prohibited.

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Friday, November 17, 2006 8:11 AM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Deposition

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 11/17/2006 at 8:11 AM EST and filed on 11/17/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Nicholas C Williamson
Document Number: 289

Docket Text:
DEPOSITION of David Nathan Smith taken on May 13, 2004 by Southern Holdings Inc, James Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, Nicholas C Williamson. (Attachments: # (1) Exhibit A - Index and Certification# (2) Exhibit B - Certificate of Service)(Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr ! jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/17/2006] [FileNumber=1455471-

0] [3120dcc6c60106803052a95675b430013bf05be0907306e166c8f59e205280986c
c55136e5c2421675020d6d8aad83d355cc711e5865e1bea13852caa3c35c90]]
Document description: Exhibit A - Index and Certification
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/17/2006] [FileNumber=1455471-
1] [9283f3e27335553d03b75366a6914090c1e64135d5fc0f453c9fce54d7c824564c
b814537505c903d1f6ef40b42277a9e64d61b04e1407d96b2e0cf7d891e63c]]
Document description: Exhibit B - Certificate of Service
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/17/2006] [FileNumber=1455471-
2] [74ff2b000fc43b703c592a2963a91b52b2921b73e0549707205773da71ce7b2f35
9ffec94eca7e99c475f5c101c3ade24dffc1f6ff68f8cd3bff0b59ace9617d]]

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Friday, November 17, 2006 8:50 AM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Certificate of Service

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 11/17/2006 at 8:50 AM EST and filed on 11/17/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Nicholas C Williamson
Document Number: 292

Docket Text:
CERTIFICATE OF SERVICE by Southern Holdings Inc, James Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, Nicholas C Williamson re [267] MOTION to Strike [243] Letter *and Expert Designation* MOTION to Strike [243] Letter *and Expert Designation* MOTION to Strike [243] Letter *and Expert Designation of Noel Herold* (Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr ! jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:

[STAMP dcecfStamp_ID=1091130295 [Date=11/17/2006] [FileNumber=1455586-0] [befcaef05f529c4f9bb05b3dcbd63490ef7f1c1f21257ce0f022ead98cbef5eddc2398ac3d092a08440ec82f251aaec296d06d807693f35d750a0d4343b83d72]]

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Monday, November 20, 2006 11:56 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Deposition

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 11/20/2006 at 11:56 PM EST and filed on 11/20/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Nicholas C Williamson
Document Number: 298

Docket Text:
DEPOSITION of Dr. Te-Long Hwang taken on September 8, 2004 by Southern Holdings Inc, James Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, Nicholas C Williamson. (Attachments: # (1) Exhibit A - Index and Certification# (2) Exhibit B - Certificate of Service)(Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr ! jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/20/2006] [FileNumber=1460810-

0] [cebe0035d7b794c60195095bd2531ac7422a85d01f04162b1bbb33c58c71e0d8ef
7f3eedad61143fa2db91a23c1b5023b9e9e91727ec5cbed52ad2baca97043f]]
Document description: Exhibit A - Index and Certification
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/20/2006] [FileNumber=1460810-
1] [bf2e3d72a612008ade043666e0071ec76f1aec1681f4723a5ced638b69211a3f71
1185f476ff667dd8424b72b317a89544b922410664f6096cb298d96425d380]]
Document description: Exhibit B - Certificate of Service
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/20/2006] [FileNumber=1460810-
2] [00b65c49dba0873a12d2527a73a946efef1426e9572ad1ed26b5f9f73c487fe8ab
3d18e869a6c7ebe506dadea79f3855614a7bc6737cd40e4388526a1f559925]]

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Thursday, November 30, 2006 2:23 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Certificate of Counsel

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Baroody, Benjamin on 11/30/2006 at 2:23 PM EST and filed on 11/30/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Albert Allen, Jr
Sidney Rick Thompson
Jeffrey S Caldwell
Document Number: 302

Docket Text:
CERTIFICATE of Counsel re [246] Order on Motion for Extension of Time to Amend,, by Benjamin A Baroody on behalf of James Albert Allen, Jr, Sidney Rick Thompson, Jeffrey S Caldwell (Attachments: # (1) Certificate of Service)(Baroody, Benjamin)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

Stephanie P McDonald smcdonald72@comcast.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

John Robert Rakowsky ! johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/30/2006] [FileNumber=1475502-0] [5d4a75f3e2a68de8df5aa4cbf262bae9ae4bc4ed00c4f957d53ff1bc1e266d3aca43f237afd90c3dd97702692e3b9a99d5c02eae0053b5d45894ae69c0134215]]
Document description: Certificate of Service

Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=11/30/2006] [FileNumber=1475502-1] [04340b6ae508cc625d657fdff5c4b071ad67e1af00238378bd99819146d8f4900879b23ecb643e33b2cd12dcfdf11a9cda3977f37f185fc882e83ee071c9eba4]]

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Monday, December 04, 2006 4:21 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Motion for Extension of Time to File Response/Reply

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 12/4/2006 at 4:21 PM EST and filed on 12/4/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Nicholas C Williamson
Document Number: 303

Docket Text:
MOTION for Extension of Time to File Response/Reply as to [300] Response in Opposition to Motion, *257* by Southern Holdings Inc, James Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, Nicholas C Williamson.Response to Motion due by 12/22/2006 (Attachments: # (1) Exhibit 1 - Certificate of Service)No proposed order (Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

Stephanie P McDonald smcdonald72@comcast.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

John Robert Rakowsky I johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/4/2006] [FileNumber=1480991-0
] [694410b166123e852f7400b55c3b1f50f6fb5462fe1235d5fe714f0f8b83a4b74da
5cecf1874966dae945e075faee33b0a2ac9cce076bb4dfa69906f61fa45e8]]
Document description: Exhibit 1 - Certificate of Service
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/4/2006] [FileNumber=1480991-1
] [bc3437773efb04ea9b19de6220efc4a0dceeaa0dff2be2f7c682f55667f631a2b95
1b7e501ed390912bcd238b01d9d90192c0166d490dd560cb71bcfca6c241f]]

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Friday, December 08, 2006 3:03 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Order on Motion for Extension of Time to File Response/Reply

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered on 12/8/2006 at 3:03 PM EST and filed on 12/8/2006
Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer:
Document Number: 304(No document attached)

Docket Text:
ORDER granting [303] Motion for Extension of Time to File Reply re [257] Second MOTION to Strike [250] Answer to Interrogatories. Reply due by 12/11/2006. Signed by Judge R Bryan Harwell on 12/8/2006.(mwel,)

4:02-cv-1859 Notice has been electronically mailed to:
Jefferson Boone Aiken, III jba@aikenbridges.com, ana@aikenbridges.com
James D Cooper, Jr jdc@ccmgpa.com, lmartin@ccmgpa.com
Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com
David W Keller, Jr (Terminated) dkeller@turnerpadget.com
Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net
Lawrence Bradley Orr (Terminated) lbo@orrfirm.com, hlr@orrfirm.com, jep@orrfirm.com
John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com
Donald John Zelenka (Terminated) agdzelenka@ag.state.sc.us
James B Van Osdell (Terminated) susan@vlhj.com
Cynthia Graham Howe (Terminated) cghowe@sccoast.net, susan@vlhj.com
Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

John W Carrigg, Jr (Terminated) jcarrigg@carrigglaw.com
Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net
Stephanie P McDonald smcdonald72@comcast.net, mbkinal rd@btitelecom.net, mhartis@btitelecom.net
James M Saleeby, Jr jms@aikenbridges.com
Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com
Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Monday, December 11, 2006 8:40 AM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Document Mailed

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered on 12/11/2006 at 8:40 AM EST and filed on 12/11/2006
Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer:
Document Number: No document attached

Docket Text:
***DOCUMENT MAILED: NEF for text [304] Order on Motion for Extension of Time to File Response/Reply, placed in U.S. Mail to David Smith, Ernest H Morton, Jr., and Linda Williamson Lawrence (sste,)

4:02-cv-1859 Notice has been electronically mailed to:
Jefferson Boone Aiken, III jba@aikenbridges.com, ana@aikenbridges.com
James D Cooper, Jr jdc@ccmgpa.com, lmartin@ccmgpa.com
Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com
David W Keller, Jr (Terminated) dkeller@turnerpadget.com
Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net
Lawrence Bradley Orr (Terminated) lbo@orrfirm.com, hlr@orrfirm.com, jep@orrfirm.com
John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com
Donald John Zelenka (Terminated) agdzelenka@ag.state.sc.us
James B Van Osdell (Terminated) susan@vlhj.com
Cynthia Graham Howe (Terminated) cghowe@sccoast.net, susan@vlhj.com
Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

John W Carrigg, Jr (Terminated) jcarrigg@carrigglaw.com
Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net
Stephanie P McDonald smcdonald72@comcast.net, mbkinal rd@btitelecom.net, mhartis@btitelecom.net
James M Saleeby, Jr jms@aikenbridges.com
Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com
Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Monday, December 11, 2006 9:39 AM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Reply to Response to Motion

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 12/11/2006 at 9:39 AM EST and filed on 12/11/2006

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Nicholas C Williamson
Document Number: 305

Docket Text:
REPLY to Response to Motion re [303] MOTION for Extension of Time to File Response/Reply as to [300] Response in Opposition to Motion, *257* MOTION for Extension of Time to File Response/Reply as to [300] Response in Opposition to Motion, *257 Plaintiffs'* Response filed by Southern Holdings Inc, James Spencer, Rodney Keith Lail, Irene Santacroce, Ricky Stephens, Marguerite Stephens, Doris Holt, Nicholas C Williamson. (Attachments: # (1) Exhibit A - Sandra Senn Letter# (2) Exhibit B - Emails from the Court# (3) Exhibit C - Certificate of Service) (Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

James D Cooper , Jr jdc@ccmgpa.com, lmartin@ccmgpa.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

Stephanie P McDonald smcdonald72@comcast.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

John Robert Rakowsky I johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr jms@aikenbridges.com

Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road

Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/11/2006] [FileNumber=1490229-0] [22a456ebdb78dc121d4e1719be124309f413078db51875d824f8e41b23511612b5113f6bbc136d2f9b808f60abe3820537109dc2f900bc45bb10e55b63405562]]
Document description: Exhibit A - Sandra Senn Letter
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/11/2006] [FileNumber=1490229-1] [92c22c1190bb949b980e58b3eacfa70f605155f71ed6a510d09155595814526f373d3c33946fada802b7693a67e3a3a7f094ab3a94c158b5ede28817cb811213]]
Document description: Exhibit B - Emails from the Court
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/11/2006] [FileNumber=1490229-2] [0238c0d0336532f4c8e7f14fb77339dfb7fc89aeb95eb8a4b605ead9a384f45d2ecf853193cf3faf5fcf0a51fc49f04a0a9bfae1b406ff046f6e2739a2a3ca8b]]
Document description: Exhibit C - Certificate of Service
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=12/11/2006] [FileNumber=1490229-3] [b0d439ad211919aa71706451c1f7160bef02409c56cbb51e25728acf4d06d0a97ea90920e1bed1a39db9eea14b7afa0ffb186cad6ac701d8a60f0d6db921325d]]

440

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Tuesday, December 12, 2006 9:38 AM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Docket Annotation

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered on 12/12/2006 at 9:38 AM EST and filed on 12/12/2006
Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer:
Document Number: No document attached

Docket Text:
DOCKET ANNOTATION - NO Correction by attorney required - Modified Docket Entry #300, it now reads as follows: 11/22/2006 [300]RESPONSE in Opposition re 257 Second MOTION to Strike 250 Answer to Interrogatories Expert WitnessesSecond MOTION to Strike 250 Answer to Interrogatories Expert Witnesses Response filed by Horry County Police Department, Charles McClendon, Jay Brantly, Andy Christensen, James Albert Allen, Jr., Sidney Rick Thompson and Jeffrey S Caldwell. Reply to Response to Motion due by 12/4/2006 (Attachments: # 1 Certificate of Service)(McDonald, Stephanie) Modified on 12/12/2006 to add James Albert Allen, Jr., Sidney Rick Thompson and Jeffrey S Caldwell as filers (sste,). (Entered: 11/22/2006) (sste,)

4:02-cv-1859 Notice has been electronically mailed to:
Jefferson Boone Aiken, III jba@aikenbridges.com, ana@aikenbridges.com
James D Cooper, Jr jdc@ccmgpa.com, lmartin@ccmgpa.com
Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com
David W Keller, Jr (Terminated) dkeller@turnerpadget.com
Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net
Lawrence Bradley Orr (Terminated) lbo@orrfirm.com, hlr@orrfirm.com, jep@orrfirm.com

John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com
Donald John Zelenka (Terminated) agdzelenka@ag.state.sc.us
James B Van Osdell (Terminated) susan@vlhj.com
Cynthia Graham Howe (Terminated) cghowe@sccoast.net, susan@vlhj.com
Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com
John W Carrigg, Jr (Terminated) jcarrigg@carrigglaw.com
Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net
Stephanie P McDonald smcdonald72@comcast.net, mbkinard@btitelecom.net, mhartis@btitelecom.net
James M Saleeby, Jr jms@aikenbridges.com
Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com
Ronald N Serota rserota@aol.com

4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

442

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Tuesday, January 23, 2007 4:32 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Deficiency Memo

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered on 1/23/2007 at 4:32 PM EST and filed on 1/23/2007
Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer:
Document Number: 312

Docket Text:
Deficiency Memo Additional Attachments to Main Document, Doc. #311. See attached Deficiency Memo. Any response due is based on the filing date of the original document. Docket Correction due 1/24/2007. (sste,)

4:02-cv-1859 Notice has been electronically mailed to:
Jefferson Boone Aiken, III jba@aikenbridges.com, ana@aikenbridges.com
James D Cooper, Jr jdc@ccmgpa.com, lmartin@ccmgpa.com
Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com
David W Keller, Jr (Terminated) dkeller@turnerpadget.com
Mark Weston Hardee mwhardee@bellsouth.net, angiecatoe@bellsouth.net
Lawrence Bradley Orr (Terminated) lbo@orrfirm.com, hlr@orrfirm.com, jep@orrfirm.com
John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com
Donald John Zelenka (Terminated) agdzelenka@ag.state.sc.us
James B Van Osdell (Terminated) susan@vlhj.com
Cynthia Graham Howe (Terminated) cghowe@sccoast.net, susan@vlhj.com
Adrian L Falgione adrianfalgione@alltel.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com
John W Carrigg, Jr (Terminated) jcarrigg@carrigglaw.com
Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@btitelecom.net
Stephanie P Mc
4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=1/23/2007] [FileNumber=1556404-0
] [49d589b0e48be2422a35aa63fef7a640596a38fbf4ab4e0ea138b89e5115a9c22ef
de5a32c105a25c415515a538647e27073db66d0044eeaabff0b5ccf68cfe7]]

444

JamesBSpencer

From: "Adrian Falgione" <adrianfalgione@alltell.net>
Date: Wednesday, January 24, 2007 9:51 AM
To: "JRRakowskyCR" <JRRakowskyCR@sc.rr.com>
Cc: <JBSpen777@aol.com>
Subject: FW: Certificate of Counsel

John, I think Spencer is handling this and I don't intend to address it, Adrian

---

From: Rserota@aol.com [mailto:Rserota@aol.com]
Sent: Wednesday, January 24, 2007 1:30 AM
To: adrianfalgione@alltel.net
Cc: JBSpen777@aol.com
Subject: Certificate of Counsel

For Rule 37 (c) I do not find any requirement of counsel to attach a certificate that we made a good faith attempt to confer with opposing counsel to resolve the matters covered in our motion, prior to filing a motion for sanctions. Since there is a certificate requirement earlier on in Rule 37, it should be construed that the lack of specificity on this point in part C supports the position that no certificate is required. If you find otherwise, please advise and prepare a certificate indicating that there would have been no worthwhile point to meet and confer on this matter. Thanks, Ron (just trying to cover any opening here)

JamesBSpencer

From: "Adrian Falgione" <adrianfalgione@alltell.net>
Date: Wednesday, January 24, 2007 9:51 AM
To: "JRRakowskyCR" <JRRakowskyCR@sc.rr.com>
Cc: <JBSpen777@aol.com>
Subject: FW: Certificate of Counsel

John, I think Spencer is handling this and I don't intend to address it, Adrian

---

From: Rserota@aol.com [mailto:Rserota@aol.com]
Sent: Wednesday, January 24, 2007 1:30 AM
To: adrianfalgione@alltel.net
Cc: JBSpen777@aol.com
Subject: Certificate of Counsel

For Rule 37 (c) I do not find any requirement of counsel to attach a certificate that we made a good faith attempt to confer with opposing counsel to resolve the matters covered in our motion prior to filing a motion for sanctions. Since there is a certificate requirement earlier on in Rule 37, it should be construed that the lack of specificity on this point in part C supports the position that no certificate is required. If you find otherwise, please advise and prepare a certificate indicating that there would have been no worthwhile point to meet and confer on this matter. Thanks, Ron (just trying to cover any opening here)

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Friday, February 02, 2007 3:45 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Notice of Hearing on Motion

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered on 2/2/2007 at 3:45 PM EST and filed on 2/2/2007
Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer:
Document Number: 322

Docket Text:
NOTICE of Hearing on all Pending Motions: Motion Hearing set for 2/9/2007 09:30 AM in Florence #2, McMillan Federal Bldg, 401 W. Evans St., Florence before Honorable R Bryan Harwell. (sste,)

4:02-cv-1859 Notice has been electronically mailed to:
Jefferson Boone Aiken, III jba@aikenbridges.com, ana@aikenbridges.com
James D Cooper, Jr (Terminated) jdc@ccmgpa.com, lmartin@ccmgpa.com
Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com
David W Keller, Jr (Terminated) dkeller@turnerpadget.com
Mark Weston Hardee (Terminated) mwhardee@bellsouth.net, angiecatoe@bellsouth.net
Lawrence Bradley Orr (Terminated) lbo@orrfirm.com, hlr@orrfirm.com, jep@orrfirm.com
John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com
Donald John Zelenka (Terminated) agdzelenka@ag.state.sc.us
James B Van Osdell (Terminated) susan@vlhj.com
Cynthia Graham Howe (Terminated) cghowe@sccoast.net, susan@vlhj.com
Adrian L Falgione adrianfalgione@alltel.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com
John W Carrigg, Jr (Terminated) jcarrigg@carrigglaw.com
Sandra Jane Senn sjsenn@btitelecom.net, mbkinard@btitelecom.net, mhartis@bt
4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=2/2/2007] [FileNumber=1575863-0]
[10b615d652f16bc61df3c619e1f70ec877daa1beb1fa61ea6252add9fb1036523678
89bc436f58e3ae67e56cdb3a72e6519c4f4567c371d664ee2c58efe27a61]]

448

JamesBSpencer

From: <SCDEfilingstat@scd.uscourts.gov>
Date: Sunday, February 04, 2007 3:40 PM
To: <scd_ecf_nef@scd.uscourts.gov>
Subject: Activity in Case 4:02-cv-01859-RBH Southern Holdings, et al v. Horry County, et al Withdrawal of Motions

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.
*****NOTE TO PUBLIC ACCESS USERS*** You may view the filed documents once without charge. To avoid later charges, download a copy of each document during this first viewing.**

U.S. District Court

District of South Carolina

Notice of Electronic Filing

The following transaction was entered by Rakowsky, John on 2/4/2007 at 3:40 PM EST and filed on 2/4/2007

Case Name: Southern Holdings, et al v. Horry County, et al
Case Number: 4:02-cv-1859
Filer: James Spencer
Southern Holdings Inc
Rodney Keith Lail
Irene Santacroce
Ricky Stephens
Marguerite Stephens
Doris Holt
Document Number: 323

Docket Text:
Withdrawal of Motions: [310] First MOTION for Sanctions *Under Rule 37 of the F.R.C.P.* filed by Southern Holdings Inc, Nicholas C Williamson, Ricky Stephens, James Spencer, Rodney Keith Lail, Doris Holt, Irene Santacroce, Marguerite Stephens.. (Attachments: # (1) Exhibit - Certificate of Service)(Rakowsky, John)

4:02-cv-1859 Notice has been electronically mailed to:

Jefferson Boone Aiken , III jba@aikenbridges.com, ana@aikenbridges.com

Benjamin A Baroody bb@aikenbridges.com, sws@aikenbridges.com

Edward Glenn Elliott ege@aikenbridges.com, martha@aikenbridges.com

Adrian L Falgione adrianfalgione@alltel.net

Andrew F Lindemann alindemann@dml-law.com, bham@dml-law.com, jangus@dml-law.com

Stephanie P McDonald smcdonald72@comcast.net, mbkinard@btitelecom.net, mhartis@btitelecom.net

John Robert Rakowsky johnrakowskylawofc@sc.rr.com, JRRakowskyCR@sc.rr.com

James M Saleeby , Jr &nb
4:02-cv-1859 Notice will not be electronically mailed to:

Linda Williamson Lawrence
105 Yadkin Street
Suite 203
Albemarle, NC 28001

Ernest H Morton, Jr
117 W North Street
PO BOX 519
Albemarle, NC 28002

David Smith
1006 N Holden Road
Greensboro, NC 27410

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=2/4/2007] [FileNumber=1576389-0] [43e9139febe03c5e577c44b740bfa38d6a81105aed0efcf6eadce14c0b8b7ccac6e8 6d7f5157288c8ab1b4fc28082c7e234b6433cfc4155f36ec9d39e92f1a4d]]
Document description: Exhibit - Certificate of Service
Original filename:n/a
Electronic document Stamp:
[STAMP dcecfStamp_ID=1091130295 [Date=2/4/2007] [FileNumber=1576389-1]

[51c55a0ccbffc7ae75c7b3cb49b123d4e4f7fb522cff5883348bfa9e000163cff169
8d02fb7c6f8ff5525aa2917fe2dbe4af63ec37b208d8331ac2a08945d35c]]

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	Fifth JUDICIAL CIRCUIT
COUNTY OF RICHLAND)	
)	CASE NO.: 2008-CP-40-6656
)	
John Rakowsky,)	**MOTION AND ORDER INFORMATION**
Plaintiff,)	**FORM AND COVERSHEET**
vs.)	
)	
Adrian Falgione, James Spencer, et al.)	
Defendant.)	

Plaintiff's Attorney:	Defendant's Attorney:
Desa Ballard, Bar No. 00498	James B. Spencer, Pro Se. Bar No. ____
Address: PO Box 6338 West Columbia, SC 29171	Address: PO Box 183, 7001 Saint Andrews Rd. Columbia, SC 29212
Phone: (803)796-9299Fax ____	Phone: (803)-414-0889 Fax____
E-mail: desab@desaballard.comOther: ____	E-mail: JamesBSpencer@sc.rr.com Other: ____

☐ **MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)**
☒ **FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)**
☐ **PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)**

SECTION I: Hearing Information

Nature of Motion: ____
Estimated Time Needed: ____ Court Reporter Needed: ☐ YES/☐ NO

SECTION II: Motion/Order Type

☒ Written motion attached
☐ Form Motion/Order

I hereby move for relief or action by the court as set forth in the attached proposed order.

James B Spencer
Signature of Attorney for ☐ Plaintiff /☒ Defendant

07/29/2014
Date submitted

SECTION III: Motion Fee

☒ PAID – AMOUNT: $ ____
☐ EXEMPT: (check reason)
- ☐ Rule to Show Cause in Child or Spousal Support
- ☐ Domestic Abuse or Abuse and Neglect
- ☐ Indigent Status ☐ State Agency v. Indigent Party
- ☐ Sexually Violent Predator Act ☐ Post-Conviction Relief
- ☐ Motion for Stay in Bankruptcy
- ☐ Motion for Publication ☐ Motion for Execution (Rule 69, SCRCP)
- ☐ Proposed order submitted at request of the court; or, reduced to writing from motion made in open court per judge's instructions
  Name of Court Reporter: ____
- ☐ Other: ____

JUDGE'S SECTION	
☐ Motion Fee to be paid upon filing of the attached order.	JUDGE CODE ____
☐ Other: ____	Date: ____

CLERK'S VERIFICATION

Collected by:____ Date Filed: ____
☐ MOTION FEE COLLECTED: $ ____
☐ CONTESTED – AMOUNT DUE: $ ____

Richland County Common Pleas

Clerk : Jeanette W. McBride
Richland County Judicial Center
Columbia, SC 29201
(803) 576-1999

Received From:	Spencer, James Brian Po Box 183 Columbia, SC 29212	Date:	7/29/2014
		Receipt #:	181352
		Clerk:	METTSB
Paying for:	Rakowsky, John R	Reference #:	
Transaction Type:	Payment	Comment:	
Payment Type:	Cash $25.00		
Total Paid:	$25.00		

Non-Refundable

Case #	Caption	Previous Balance	Amount Paid	Balance Due
2008CP4006656	John R Rakowsky vs Southern Holdings Inc defendant, et al	**$25.00**	**$25.00**	**$0.00**
Total Cases:	**1**	**$25.00**	**$25.00**	**$0.00**

MARK W. HARDEE
Attorney at Law
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

STATE OF SOUTH CAROLINA)
) CONTRACT OF REPRESENTATION
) (CONTINGENCY FEE AGREEMENT)
COUNTY OF RICHLAND)

James Spencer formerly known as Robert Holt ("Client") hereby employs and retains Mark W. Hardee, John R. Rakowsky, and Ron Serota, Attorneys at Law ("Law Firm") to represent his interests in connection with the aforesaid matter, and in connection with all damages and/or injuries related thereto.

Client agrees to pay to the Law Firm a contingency fee. The Law Firm's contingency fee shall equal one-third of any and all monies received by way of settlement after deducting an amount equivalent to direct case and litigation expenses incurred and or paid from April 1, 2005, regardless of whether such settlement occurs before or after suit is brought and filed in this case. The contingency fee component of the aforementioned equation herein increases from one third to 40 percent of total judgment once the trial is commenced. Client understands that the aforesaid attorneys' fees will be deducted from the gross recovery less direct case related expenses paid and/or incurred from April 1, 2005, and that the said case expenses associated with this matter will be paid after attorneys' contingency fees have been paid in full. The remainder, after attorney contingency fees are taken out, will be further reduced by the repayments of amounts paid and/or owed as authorized by Client of case related costs and expenses paid and will be deducted after attorney contingency fees and prior to any personal recovery to Client.

EXHIBIT A

After each individual Law Firm member as defined herein receives one hundred thousand dollars in compensation from this case in sum total from all Clients in this case, the residual base that will be used to multiply the contingency fee component to determine remaining Law Firm compensation, will be reduced by all case related expenses incurred and paid prior to April 1, 2005.

If settlement of this case is made by a structured settlement, attorneys' fees will be computed based on one third of the total present day value of the settlement after an amount equivalent to expenses incurred is deducted from the formula accounting for expenses in the same manner as applicable as defined above. The contingency amounts of the attorneys' fees shall be paid out of the initial cash payment.

Client empowers the aforesaid Law Firm to take all steps in this matter deemed by Law Firm to be advisable.

Client specifically acknowledges that the Law Firm has made no guarantee regarding the successful completion of the aforesaid claim and that all expressions relative thereto are matters of opinion only.

It is agreed and understood between the parties that Client will be responsible for all reasonable non-overhead related direct costs and expenses in addition to the agreed legal fee and will pay such reasonable non-overhead related direct costs and expenses as are required by law and additional costs as shall be agreed to by Client as part of the necessary non-overhead related direct expenses and costs with reference to the above described matter. Client agrees to escrow with the Law Firm the sum of -0-.

Client agrees that a full time law clerk dedicated to this case will be hired and compensated by Client as a cost of this litigation as defined herein.

Law Firm is to keep accurate hourly records due to nature of the case and that if any representation fees are awarded using hours worked, the hourly fees generated will offset the

contingency fees up to the 40% level as computed herein above. Law Firm agrees to structure any hours incurred in this case by Gene Waas and Jimmy Cooper in such a manner to be eligible for such a court awarded formula that would not impact financial proceeds to either Law Firm or Client.

If any such hours are used in this case and are not reimbursed by the court for the work of Gene Waas and Jimmy Cooper, these hours will be paid by the Law Firm and Client out of the funds received from the settlement or court ruling at the applicable rate of one third or forty percent by the Law Firm and two thirds or sixty percent by the Client. If Gene Waas and Jimmy Coopers' contingency hourly fees are not awarded by the court and Client does not prevail to an extend that covers the contingent legal fees due Gene Waas and Jimmy Cooper, then no fees of any kind will be due to Gene Waas and Jimmy Cooper by either Law Firm or Client.

Should suit be filed, Client understands that in the event that an adverse result occurs, Client may be responsible for costs incurred by opposing party(ies) and in some cases, attorney fees.

The parties hereto further agree that Law Firm is not obligated to represent Client in any appeal if Client does not prevail. If Client prevails Law Firm agrees to represent Client in first round of appeals under the terms of this agreement if award to Client is in excess of one million dollars or potentially could be valued in excess of one million dollars.

Client agrees that Law Firm will have a lien on any funds received by way of settlement or judgment to the extent of its contingency fees and mutually agreed upon reasonable direct costs not paid by client.

Client agrees to assist and cooperate with the Law Firm to the extent it is requested to do so by the Law Firm. Client further acknowledges that should Client fail to so assist and cooperate with the Law Firm, the Law Firm shall have the right to cancel this agreement.

Client understands that there are some types of cases in which attorneys' fees may be awarded by a court to a party. Should Client's case be one of those types of cases, and should a court

award attorneys' fees in Client's behalf, then Client acknowledges and understands that they will be responsible for the difference, if any, between the attorneys' fees established by this Agreement and such attorneys' fees as may be awarded and recovered in this matter.

Law Firm is hired to represent Client in the aforesaid matter only. Law Firm does not undertake to represent Client on other matters, or to represent any related interest or parties. Law Firm may represent Client with adverse interests in unrelated matters.

This agreement does not include the Law Firm providing any tax advice to Client, and Client may not rely on the Law Firm for tax advice on any aspect of Client's case, including, but not limited to: (1) tax implications of settlement proceeds or verdict proceeds; (2) deductibility of attorneys' fees or costs. Client should consult with a tax advisor on all such issues.

Each party to this contact agrees to be solely responsible for any and all taxes from any entity assessed on the amount of the individual proceeds the party individually receives under this agreement.

This is the entire agreement between Law Firm and Client and can be amended by signed writing only.

In the event the Law Firm is dismissed by Client, Law Firm shall be paid per *quantum meruit*.

WITNESS our hands and seals this 27th day of May, 2005.

James B. Spencer

John R. Rakowsky
Attorney at Law

Mark W. Hardee
Attorney At Law

Ron Serota
Attorney at Law

Addendum to
Contract of Representation
(Contingency Fee Agreement)
Executed on or about May 27, 2005
Between "Law Firm" and "Clients"
Regarding case Number 02-1859
As listed on the Docket of the Florence Division
of the South Carolina Federal District Court

This addendum is necessitated by the withdrawal of Mark Hardee from the Law Firm (Law Firm as defined within the Contract of Representation) and Mark Hardee's release of any and all claims against any potential recovery in this case.

Adrian L. Falgione, Attorney at Law, has replaced Mark Hardee and as such under the terms of his retention, Mr. Falgione shall be entitled to the specific funds Mark Hardee would have received under the terms of the Contract of Representation executed between Clients and Law Firm and assumes the associated responsibilities formerly performed by Mark Hardee under the terms and conditions of the Contract of Representation as of November 15, 2006, the date the Motion for the Substitution of Counsel was filed with the Court.

This Addendum has no effect on any and all terms and conditions of the Contract of Representation executed on or about May 27, 2005, between the Law Firm and the Clients. This Addendum is a confirmation of the agreement to retain Adrian Falgione as counsel and compensate Mr. Falgione with the funds that would have gone to Mark Hardee under the terms of the Contract of Representation whom Mr. Falgione replaced.

This Addendum is mutually agreed to by the Law Firm, James B. Spencer and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

James B. Spencer

Adrian Falgione
Attorney at Law

My Commission Expires February 5, 2007

This Addendum is mutually agreed to by the Law Firm, Irene Santacroce and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Irene Santacroce

Marguerite S Stephens
My Commission Expires
February 8, 2012

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Ricky Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Ricky Stephens

Adrian Falgione
Attorney at Law

Marguerite S. Stephens
My Commission Expires
February 8, 2012

This Addendum is mutually agreed to by the Law Firm, Marguerite Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Marguerite Stephens

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Doris Holt and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Doris Holt

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Southern Holdings, Inc., Nicholas C. Williamson for Southern Holdings, Inc., Nicholas C. Williamson individually and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Nicholas C. Williamson
as CEO and Chairman of
of Southern Holdings, Inc.

Adrian Falgione
Attorney at Law

Nicholas C. Williamson
Individually

Irene Santacroce
Corporate Secretary

Marguerite J. Stephens
My Commission Expires
February 5, 2012

Dawn R. Gatts, Notary
My Commission Expires February 5, 2007

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	
	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**CERTIFICATE OF SERVICE**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C.,	)	
	)	
Defendants.	)	

I, Beth Cogan, an employee with the Law Offices of Ballard Watson Weissenstein, do hereby certify that I served a copy of the **Claim Against Interpled Funds,** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed, addressed as follows:

Andrew F. Lindemann
Davidson & Lindemann, P.A.
Post Office Box 8568
Columbia South Carolina 29202-8568
[Attorney for Horry County, South Carolina]

James Spencer
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Marguerite Stephens
2455 Moores Mill Road
Aynor, South Carolina 29511

Ricky Stephens
2455 Moores Mill Road
Aynor, South Carolina 29511

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Rodney K. Lail
Post Office Box 2753
Myrtle Beach, South Carolina 29578

Via Email
Adrian Lee Falgione
Law Offices of Adrian Lee Falgione, LLC
113 E. Main Street, Suite A
Lexington, South Carolina 29072

Beth Cogan

Beth Cogan, Paralegal

December 11, 2013
West Columbia, South Carolina

STATE OF SOUTH CAROLINA	)	COURT OF COMMON PLEAS
COUNTY OF RICHLAND	)	FIFTH JUDICIAL CIRCUIT
John Rakowsky,	)	Case No.: 2008-CP-40-6656
Plaintiff,	)	
Vs.	)	**SUPPLEMENTAL ORDER**
Adrian Falgione, James Spencer, et al.,	)	
Defendant.	)	

RICHLAND COUNTY FILED
2014 SEP 11 PM 12:01
JEANNETTE W. McBRIDE C.C.P. G.S.

I signed an order on June 23, 2014 ruling on certain matters before me. All parties did not receive a copy of the proposed order. By e-mail dated July 10, 2014, I gave everyone an opportunity to submit a proposed order.

I have reviewed the proposed order from pro se defendant James Spencer. I stand by my original order.

SO ORDERED.

The Honorable Doyet A. Early, III
Presiding Judge of the Fifth Judicial Circuit

Barnwell SC
Date: Sept 9, 2014

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF RICHLAND)	
)	
John R. Rakowsky)	Case No. 2008-CP-40-6656
Plaintiff,)	
vs.)	**CERTIFICATE OF SERVICE**
)	
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C.,)	
)	
Defendants.)	

I, Beth Cogan, an employee with the Law Offices of Ballard Watson Weissenstein, do hereby certify that I served a copy of the **Order dated January 7, 2014,** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed and Email, addressed as follows:

James Spencer
jamesbspencer@sc.rr.com
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Michael Sribnick
Michael.g.sribnickmdjdllc@gmail.com
3 Kenilworth Avenue
Charleston, South Carolina 29403

Adrian Lee Falgione
afalgione@afalgionelaw.com
Law Offices of Adrian Lee Falgione, LLC
113 E. Main Street, Suite A
Lexington, South Carolina 29072

Andrew Lindemann
alindemann@dml-law.com
Post Office Box 8568
Columbia, South Carolina 29202

James B. Spencer

Subject: FW: Rakowsky v. Falgione Case No. 2008-CP-40-6656
Attachments: ATT00001.htm; Supplemental Order - Rakowsky v. Adrian falgione, et al.docx

RECEIVED
SEP 19 2014
SC Court of Appeals

From: **Early, Doyet A. Law Clerk (Aliecia Bores)** <dearlylc@sccourts.org>
Date: Wed, Sep 10, 2014 at 2:47 PM
Subject: Rakowsky v. Falgione Case No. 2008-CP-40-6656
To: Beth Cogan <Beth@desaballard.com>
Cc: "Early, Doyet A. Law Clerk (Aliecia Bores)" <dearlylc@sccourts.org>, "Early, Doyet A." <dearlyj@sccourts.org>, "alindemann@dml-law.com" <alindemann@dml-law.com>, "bbruner@brunerpowell.com" <bbruner@brunerpowell.com>, "michael.g.sribnickmdjdllc@gmail.com" <michael.g.sribnickmdjdllc@gmail.com>, Desa Ballard <desab@desaballard.com>, Mara Ballard <Mara@desaballard.com>

All,

Please see attached the Supplemental Order which was signed by Judge Early and mailed to the Clerk of Court in Richland County to be filed. Judge Early has also signed a Form Order Denying the Defendants Omnibus Motions. Please let me know if you have any questions. Thank you.

CONFIDENTIALITY NOTICE ~~~ This message is intended only for the addressee and may contain information that is confidential. If you are not the intended recipient, do not read, copy, retain, or disseminate this message or any attachment. If you have received this message in error, please contact the sender immediately and delete all copies of the message and any attachments.

STATE OF SOUTH CAROLINA	)	COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	FIFTH JUDICIAL CIRCUIT
	)	
John Rakowsky,	)	Case No.: 2008-CP-40-6656
	)	
Plaintiff,	)	
	)	
Vs.	)	**SUPPLEMENTAL ORDER**
	)	
Adrian Falgione, James Spencer, et al.,	)	
	)	
Defendant.	)	
	)	

RECEIVED
SEP 19 2014
SC Court of Appeals

I signed an order on June 23, 2014 ruling on certain matters before me. All parties did not receive a copy of the proposed order. By e-mail dated July 10, 2014, I gave everyone an opportunity to submit a proposed order.

I have reviewed the proposed order from pro se defendant James Spencer. I stand by my original order.

SO ORDERED.

_____

The Honorable Doyet A. Early, III
Presiding Judge of the Fifth Judicial Circuit

_____, SC
Date: _____

Monday, September 29, 2014

The Only Document provided to the Court regarding the Order ruling against the Omnibus Motion is the attached Form 4 which I have also initialed, dated and certified stamped.

My name is Gloria Tribble, Admin. Deputy Clerk and we don't have the Supplemented Order that you're requesting 08-6656; it's possible that the Order is on the Judge's Desk. If you have any question I be contact @ 803-576-1952

Gloria Tribble

RHW

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS

COUNTY OF RICHLAND

John R. Rakowsky,

Plaintiff,

v.

Adrian L Falgione, James Spencer, Nick Williamson on behalf of RSC, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens, and Ricky Stephens, Michael S. Hartness, and Horry County, South Carolina, Glen Harrison, Eugene Chewning

Defendants.

(2008-CP-40-0656)

JEANETTE W. WALKER
C.C.P. & G.S.

2011 JAN 18 PM 12:30

FILED

CERTAIN DEFENDANTS' RESPONSE TO JOHN RAKOWSKY'S SECOND AMENDED COMPLAINT FOR INTERPLEADER

NOW COME CERTAIN DEFENDANTS[1] (hereinafter known as the "captioned Defendants") and move the Court to Deny Plaintiff's request to disperse funds in accordance with Plaintiff Rakowsky's Complaint for Interpleader captioned above.

1. Admitted.
2. Admitted.
3. Admitted.
4. Admitted.

[1] Nick Williamson owner of Resolution Settlement Corporation (hereinafter "RSC") former interests, Doris Holt, Ricky Stephens, Marguerite Stephens, Irene Santacroce, James Spencer, and Rodney Lail.

5. Admitted.

6. Admitted in part and denied in part. Based on information and belief Gene Chewning is not a resident of South Carolina.

7. Admitted.

8. Admitted in part Denied in part. Plaintiff Rakowsky was a member of the legal team from the date the initial complaint was filed and belatedly filed his papers to become a counsel of record shortly thereafter. Mr. Rakowsky assumed control of the legal team and initiated the firing of legal counsels Mr. Rakowsky determined needed to be dismissed, and the hiring of legal counsels Mr. Rakowsky handpicked.

9. Admitted.

10. Admitted in part, Denied in part. Funds were advanced by specific entities and Plaintiff Rakowsky knows the source and amount of said litigation funds. The funds comprising the amount of nine thousand eight hundred and fifty five dollars ($9,855.00) were solely advanced by "RSC," under the written condition that such funds were to be expended only under the specific direction of Defendant James Spencer. The captioned Defendants cannot rely on Mr. Rakowsky's claim as to the balance. Mr. Rakowsky and his counsel Desa Ballard have refused numerous requests by the captioned Defendants to provide a complete accounting of the funding of the lawsuit including but not limited to any and all original deposit receipts and original disbursements receipts regarding the litigation funds.

11. Denied. Plaintiff Rakowsky and Defendant Falgione comprehending the extent of their limited intellectual capabilities and inadequate legal skills, on the eve of

trial, deliberately and blatantly misrepresented key information to the captioned Defendants. Mr. Rakowsky's limited intellectual and professional capacity was in fact documented in his initial Interpleader filing as he claimed to represent Linda Williamson Lawrence and Ernest Morton, parties with personal interests to destroy the case brought by the captioned Defendants whom Plaintiff Rakowsky also claimed to have represented in Federal District Court Civil Action No: 4 02 1859 12.

Any validity to the multiple claims of representation would have been an admission, heretofore unknown, to the captioned Defendants, of a conflict of interest which constitutes legal malpractice. In that same domain, no settlement was ever agreed to by the captioned Defendants.

Rakowsky claimed on May 8th, 9th, and 10th of 2007 to the captioned Defendants that no agreement could be legally finalized until each and every individual captioned Defendant Plaintiff Rakowsky represented signed off on the final written agreement. Additionally, captioned Defendant Doris Holt was not aware of any proposed agreement and was not even present in Court nor consulted by either Mr. Rakowsky or Mr. Falgione directly or indirectly to voice her opinion. Doris Holt was steadfast and wanted the individuals who injured her brought to justice. Doris Holt never agreed to a settlement **at any time** before, during and after May 9, 2007.

12. Denied. Mr. Rakowsky and Mr. Falgione's misrepresentation of the captioned Defendants agreeing to settlement to the Court and the claim to the captioned Defendants that signatures were required to consummate any true settlement

otherwise the action would go back to trial. These statements were made to cover-up Mr. Rakowsky's and Mr. Falgione's total lack of capability to litigate cases involving the complexity of the captioned Defendants litigation.

As an example, Mr. Rakowsky and Mr. Falgione on multiple occasions insisted that the captioned Defendants Nicholas Williamson, PhD, and James Spencer draft documents for issuance in Federal District Court for representation as Plaintiff Rakowsky's and Defendant Falgione's work product for the captioned Defendants in their Federal District Court case.

Further, Plaintiff Rakowsky could not comprehend how to use the Federal District Court's electronic filing system. In that regard, Mr. Rakowsky instructed the captioned Defendants to learn the electronic filing system and provided them with the Federal Court's passwords. Mr. Rakowsky had the captioned Defendants enter the documents that the captioned Defendants drafted for Mr. Rakowsky and Mr. Falgione. Mr. Rakowsky claimed this was necessary so he and Mr. Falgione could better spend their limited time to research this case of extremely complex litigation.

Mr. Rakowsky and Mr. Falgione by concealing their limited capabilities through these and other ploys rather than admitting their inabilities to the captioned Defendants failed in their professional responsibilities as agents for the unwitting captioned Defendants.

13. Denied. Avenues of litigation in this matter have not been exhausted and a notice of appeal is ready to be filed in South Carolina Federal District Court.

14. Denied. Based on information and belief Mr. Rakowsky and Mr. Falgione were sued by Law Max for their actions or lack of actions on behalf of the captioned Defendants in Federal District Court; Mr. Serota dropped all claims and Lit Funding only considered suing Mr. Rakowsky and Mr. Falgione for their actions and misdeeds, as Law Max did.

15. Admitted.

16. Denied in part, admitted in part. The captioned Defendants are forced to rely on Mr. Rakowsky's claim as to the balance, as Mr. Rakowsky and his counsel Desa Ballard have refused numerous requests to provide an accounting of the funds to anyone, including the captioned Defendants, despite Mr. Rakowsky's written agreement with the provider of the funds to provide such upon request by James Spencer. Captioned Defendants seek the release of the entire amount of litigation funds of nine thousand eight hundred and fifty five dollars ($9,855.00) forthwith. Mr. Rakowsky is wrongfully withholding such litigation funds to hamper captioned Defendants from seeking legal remedies. Additionally, based on information and belief, Mr. Rakowsky knowingly and wrongfully spent money advanced for litigation expenses and living expenses of the captioned Defendants on his personal property including office equipment for his personal use. These acts appear to both be in violation of the ethical code that Plaintiff Rakowsky either apparently does not understand or ignores, and are also in violation of the written agreement with RSC which advanced the litigation funds that are wrongfully claimed to be in dispute by Plaintiff Rakowsky.

17. Denied.

18. Denied.

Wherefore, captioned Defendants to this action pray for an Order that the funds currently and wrongfully being controlled by Plaintiff Rakowsky and Desa Ballard, in the sum of sixty-four thousand, eight hundred fifty-five dollars ($64,855.00), be transferred forthwith into the trust account of the captioned Defendants' self designated legal counsel. The captioned Defendants pray that the Court require a complete accounting of the use of all funds through primary documentation by Plaintiff Rakowsky and given forthwith to the captioned Defendants for review.

Of the funds transferred, $55,000.00 will be held in trust until the related litigation is finalized, and the residual litigation funds of $9,855.00 will be utilized as directed by captioned Defendant James Spencer as was contractually agreed to in writing by Plaintiff Rakowsky, the provider of the funds (RSC), and captioned Defendant Spencer. Further, the captioned Defendants pray that the Court require Plaintiff Rakowsky to repay the litigation funds he misappropriated including but not limited to the buying of personal property for himself and/or others.

In addition, the captioned Defendants pray that the Court impute an interest rate of eight and three-fourths percent (8.75%) per annum to be used to compute interest on the litigation funds (the $9,855.00 plus the funds Plaintiff Rakowsky misappropriated). Such litigation funds have been wrongfully withheld from the captioned Defendants from the date of July 14, 2007 to the final date of disbursement to captioned Defendants. Such interest is to be paid to the captioned Defendants' self-appointed legal representative trust account for use in litigation. July 14, 2007, was the day after Plaintiff Rakowsky unilaterally resigned from the case. Further, the captioned Defendants humbly ask the

Court to award to the captioned Defendants an amount equaling what legal fees would have been incurred if *Pro Se* captioned Defendants had been able to litigate this Interpleader matter with competent counsel. In order to prevent further such incidents the captioned Defendants pray that a punitive amount, to be determined by the Court, for the misuse of judicial process in these matters by Plaintiff Rakowsky to be paid by Plaintiff Rakowsky to the captioned Defendants self appointed lawyers trust.

RESPECTFULLY SUBMITTED
This 17th day of January, 20011.

By:

Rodney Keith Lail, *Pro Se*
Box 2753
Myrtle Beach, SC 29578

Nicholas C. Williamson, PhD
Pro Se On behalf of RSC
8005 White Ash Court
Oak Ridge, NC 27310

Doris E. Holt, *Pro Se*
Box 183
7001 Saint Andrews *Road*
Columbia, SC 29212

James B. Spencer, Pro Se
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

Marguerite Stephens, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588

Ricky Stephens, *Pro Se*
207 Deer Trace Circle
Myrtle Beach, SC 29588

Irene Santacroce
205 Deer Trace Circle,
Myrtle Beach, SC 29588

CERTIFICATE OF SERVICE

I, James Spencer, ***Pro Se***, do hereby certify that the foregoing **CERTAIN DEFENDANTS' RESPONSE TO JOHN RAKOWSKY'S SECOND AMENDED COMPLAINT FOR INTERPLEADER** has this day been served on the following person(s) by either mail, fax or electronic transfer a true and correct copy, as follows:

Adrian Falgione
P. O. Box 277
Lexington, SC 29071

Michael Steven Hartness
3032 Nance Cove Rd
Charlotte, NC 28214-9470

Horry County, South Carolina
Danny Knight
Government & Justice Center
1301 Second Avenue
Conway, SC 29526

Desa Ballard, Esquire
226 State Street
West Columbia, SC 29169

Eugene Chewning
135 Ripley Station Road
Columbia, SC 29212

Glen W. Harrison
Harrison & Rutstrom Consulting, Inc.
368 Seminole Woods Blvd.
Geneva, Florida 32732

2011 JAN 18 PM 12:30
JEANETTE W. McBRIDE
C.C.P. & G.S.
FILED

This 17th day of January, 2011

By: _____
James Spencer, *Pro Se*
Box 183
7001 Saint Andrews Road
Columbia, SC 29212

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT
CASE NO.: 2008-CP-40-6656

John R. Rakowsky,

Plaintiff,

vs.

Adrian L Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens, Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing and Glenn W. Harrison,

Defendants.

CLAIM AGAINST INTERPLED FUNDS

NOW COMES THE UNDERSIGNED, as counsel for Plaintiff John Rakowsky, to make a claim against the funds which are the subject of this litigation. In support of his claim, Plaintiff would show:

1. Marguerite Stephens, Ricky Stephens, Rodney Keith Lail, Irene Santacroce, Doris Holt and James Spencer, along with Southern Holdings, Inc., (hereafter jointly referred to as defendants) were the plaintiffs in an action pending in the United States District Court for the District of South Carolina entitled Southern Holdings, Inc., et al. v. Horry County, South Carolina, et al., and bearing Case No. 4:02-CV-01859-RBH (hereafter referred to as "the federal court action."). The defendants had numerous successive counsel during the federal litigation, but the most recent counsel to represent them were Plaintiff Rakowsky and Defendant Adrian L. Falgione (hereafter "Falgione").
2. In or about May 2007, the defendants authorized their counsel (e.g. Rakowsky and Falgione) to enter into a settlement in the federal court action which would

provide, *inter alia*, for payment to them of a settlement in the amount of fifty-five thousand dollars ($55,000.00). Michael Hartness, Harold Hartness and Horry County, South Carolina paid the sum of fifty-five thousand dollars ($55,000.00) to consummate the settlement.

3. In connection with the litigation of the federal court action, funds were advanced for costs to be incurred in the federal court litigation. The balance of these funds was held by Rakowsky, in trust. At the time settlement was reached in the federal case, Rakowsky held in trust the sum of nine-thousand eight hundred and fifty-five dollars ($9.855.00)[1] which had not been expended toward litigation costs.
4. Rakowsky is entitled to receive a portion of the funds proffered for interpleader in this matter as attorneys' fees for his services in the federal court action. Pursuant to the fee agreement, he is entitled to $22,000 (e.g. 40% of $55,000). **(Exhibit A)**

THEREFORE, Plaintiff John Rakowsky requests an order from this Court requiring the Clerk of Court to disburse to him $22,000, from the interpled funds.

Stephanie Weissenstein
BALLARD WATSON WEISSENSTEIN
Post Office Box 6338
West Columbia, South Carolina 29171
803.796.9299 ph
803.796.1066 fax
Stephanie@desaballard.com

1. After the funds were deposited into the trust account, the undersigned was notified by Dr. Eugene Chewning of an outstanding bill in the underlying federal court matter matter. Upon review with Mr. Rakowsky, it was determined that the monies were due and payable to Dr. Chewning, and therefore a #1892 from the undersigned's trust account was issued to Dr. Chewning in the amount of $2,164.07.

MARK W. HARDEE
Attorney at Law
1426 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 799-0905
FAX: (803) 799-0470
E-MAIL: MWHARDEE@BELLSOUTH.NET

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

CONTRACT OF REPRESENTATION
(CONTINGENCY FEE AGREEMENT)

James Spencer formerly known as Robert Holt ("Client") hereby employs and retains Mark W. Hardee, John R. Rakowsky, and Ron Serota, Attorneys at Law ("Law Firm") to represent his interests in connection with the aforesaid matter, and in connection with all damages and/or injuries related thereto.

Client agrees to pay to the Law Firm a contingency fee. The Law Firm's contingency fee shall equal one-third of any and all monies received by way of settlement after deducting an amount equivalent to direct case and litigation expenses incurred and or paid from April 1, 2005, regardless of whether such settlement occurs before or after suit is brought and filed in this case. The contingency fee component of the aforementioned equation herein increases from one third to 40 percent of total judgment once the trial is commenced. Client understands that the aforesaid attorneys' fees will be deducted from the gross recovery less direct case related expenses paid and/or incurred from April 1, 2005, and that the said case expenses associated with this matter will be paid after attorneys' contingency fees have been paid in full. The remainder, after attorney contingency fees are taken out, will be further reduced by the repayments of amounts paid and/or owed as authorized by Client of case related costs and expenses paid and will be deducted after attorney contingency fees and prior to any personal recovery to Client.

EXHIBIT
A

After each individual Law Firm member as defined herein receives one hundred thousand dollars in compensation from this case in sum total from all Clients in this case, the residual base that will be used to multiply the contingency fee component to determine remaining Law Firm compensation, will be reduced by all case related expenses incurred and paid prior to April 1, 2005.

If settlement of this case is made by a structured settlement, attorneys' fees will be computed based on one third of the total present day value of the settlement after an amount equivalent to expenses incurred is deducted from the formula accounting for expenses in the same manner as applicable as defined above. The contingency amounts of the attorneys' fees shall be paid out of the initial cash payment.

Client empowers the aforesaid Law Firm to take all steps in this matter deemed by Law Firm to be advisable.

Client specifically acknowledges that the Law Firm has made no guarantee regarding the successful completion of the aforesaid claim and that all expressions relative thereto are matters of opinion only.

It is agreed and understood between the parties that Client will be responsible for all reasonable non-overhead related direct costs and expenses in addition to the agreed legal fee and will pay such reasonable non-overhead related direct costs and expenses as are required by law and additional costs as shall be agreed to by Client as part of the necessary non-overhead related direct expenses and costs with reference to the above described matter. Client agrees to escrow with the Law Firm the sum of -0-.

Client agrees that a full time law clerk dedicated to this case will be hired and compensated by Client as a cost of this litigation as defined herein.

Law Firm is to keep accurate hourly records due to nature of the case and that if any representation fees are awarded using hours worked, the hourly fees generated will offset the

contingency fees up to the 40% level as computed herein above. Law Firm agrees to structure any hours incurred in this case by Gene Waas and Jimmy Cooper in such a manner to be eligible for such a court awarded formula that would not impact financial proceeds to either Law Firm or Client.

If any such hours are used in this case and are not reimbursed by the court for the work of Gene Waas and Jimmy Cooper, these hours will be paid by the Law Firm and Client out of the funds received from the settlement or court ruling at the applicable rate of one third or forty percent by the Law Firm and two thirds or sixty percent by the Client. If Gene Waas and Jimmy Coopers' contingency hourly fees are not awarded by the court and Client does not prevail to an extend that covers the contingent legal fees due Gene Waas and Jimmy Cooper, then no fees of any kind will be due to Gene Waas and Jimmy Cooper by either Law Firm or Client.

Should suit be filed, Client understands that in the event that an adverse result occurs, Client may be responsible for costs incurred by opposing party(ies) and in some cases, attorney fees.

The parties hereto further agree that Law Firm is not obligated to represent Client in any appeal if Client does not prevail. If Client prevails Law Firm agrees to represent Client in first round of appeals under the terms of this agreement if award to Client is in excess of one million dollars or potentially could be valued in excess of one million dollars.

Client agrees that Law Firm will have a lien on any funds received by way of settlement or judgment to the extent of its contingency fees and mutually agreed upon reasonable direct costs not paid by client.

Client agrees to assist and cooperate with the Law Firm to the extent it is requested to do so by the Law Firm. Client further acknowledges that should Client fail to so assist and cooperate with the Law Firm, the Law Firm shall have the right to cancel this agreement.

Client understands that there are some types of cases in which attorneys' fees may be awarded by a court to a party. Should Client's case be one of those types of cases, and should a court

award attorneys' fees in Client's behalf, then Client acknowledges and understands that they will be responsible for the difference, if any, between the attorneys' fees established by this Agreement and such attorneys' fees as may be awarded and recovered in this matter.

Law Firm is hired to represent Client in the aforesaid matter only. Law Firm does not undertake to represent Client on other matters, or to represent any related interest or parties. Law Firm may represent Client with adverse interests in unrelated matters.

This agreement does not include the Law Firm providing any tax advice to Client, and Client may not rely on the Law Firm for tax advice on any aspect of Client's case, including, but not limited to: (1) tax implications of settlement proceeds or verdict proceeds; (2) deductibility of attorneys' fees or costs. Client should consult with a tax advisor on all such issues.

Each party to this contact agrees to be solely responsible for any and all taxes from any entity assessed on the amount of the individual proceeds the party individually receives under this agreement.

This is the entire agreement between Law Firm and Client and can be amended by signed writing only.

In the event the Law Firm is dismissed by Client, Law Firm shall be paid per *quantum meruit*.

WITNESS our hands and seals this 27th day of May, 2005.

James B. Spencer

John R. Rakowsky
Attorney at Law

Mark W. Hardee
Attorney At Law

Ron Serota
Attorney at Law

Addendum to
Contract of Representation
(Contingency Fee Agreement)
Executed on or about May 27, 2005
Between "Law Firm" and "Clients"
Regarding case Number 02-1859
As listed on the Docket of the Florence Division
of the South Carolina Federal District Court

This addendum is necessitated by the withdrawal of Mark Hardee from the Law Firm (Law Firm as defined within the Contract of Representation) and Mark Hardee's release of any and all claims against any potential recovery in this case.

Adrian L. Falgione, Attorney at Law, has replaced Mark Hardee and as such under the terms of his retention, Mr. Falgione shall be entitled to the specific funds Mark Hardee would have received under the terms of the Contract of Representation executed between Clients and Law Firm and assumes the associated responsibilities formerly performed by Mark Hardee under the terms and conditions of the Contract of Representation as of November 15, 2006, the date the Motion for the Substitution of Counsel was filed with the Court.

This Addendum has no effect on any and all terms and conditions of the Contract of Representation executed on or about May 27, 2005, between the Law Firm and the Clients. This Addendum is a confirmation of the agreement to retain Adrian Falgione as counsel and compensate Mr. Falgione with the funds that would have gone to Mark Hardee under the terms of the Contract of Representation whom Mr. Falgione replaced.

This Addendum is mutually agreed to by the Law Firm, James B. Spencer and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

James B. Spencer

Notary
My Commission Expires February 5, 2007

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Ricky Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Ricky Stephens

Adrian Falgione
Attorney at Law

Marguerite S. Stephens
My Commission Expires
February 8, 2012

This Addendum is mutually agreed to by the Law Firm, Marguerite Stephens and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Marguerite Stephens

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Doris Holt and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Doris Holt

Adrian Falgione
Attorney at Law

This Addendum is mutually agreed to by the Law Firm, Southern Holdings, Inc., Nicholas C. Williamson for Southern Holdings, Inc., Nicholas C. Williamson individually and Adrian Falgione.

This 1st day of February, 2007

John R. Rakowsky as
Lead counsel, for the
Law Firm

Nicholas C. Williamson
as CEO and Chairman of
of Southern Holdings, Inc.

Adrian Falgione
Attorney at Law

Nicholas C. Williamson
Individually

Irene Santacroce
Corporate Secretary

Marguerite L. Stephens
My Commission Expires
February 6, 2012

Dawn R. Gatto, Notary
My Commission Expires February 5, 2007

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	
	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**CERTIFICATE OF SERVICE**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C.,	)	
	)	
Defendants.	)	
	)	

I, Beth Cogan, an employee with the Law Offices of Ballard Watson Weissenstein, do hereby certify that I served a copy of the **Claim Against Interpled Funds,** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed, addressed as follows:

Andrew F. Lindemann
Davidson & Lindemann, P.A.
Post Office Box 8568
Columbia South Carolina 29202-8568
[Attorney for Horry County, South Carolina]

James Spencer
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Marguerite Stephens
2455 Moores Mill Road
Aynor, South Carolina 29511

Ricky Stephens
2455 Moores Mill Road
Aynor, South Carolina 29511

Irene Santacroce
205 Deer Trace Circle
Myrtle Beach, South Carolina 29588

Rodney K. Lail
Post Office Box 2753
Myrtle Beach, South Carolina 29578

Via Email
Adrian Lee Falgione
Law Offices of Adrian Lee Falgione, LLC
113 E. Main Street, Suite A
Lexington, South Carolina 29072

Beth Cogan

Beth Cogan, Paralegal

December 11, 2013
West Columbia, South Carolina

Ballard
Watson Weissenstein
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III
Stephanie Weissenstein
Attorneys at Law

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169 | ph 803.796.9299 | fx 803.796.1066 | desaballard.com

December 11, 2013

Via U.S. Mail
Richland County Clerk of Court
Honorable Jeanette McBride
Post Office Box 2766
Columbia, South Carolina 29202

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Ms. McBride:

Enclosed please find the Claim Against Interpled Funds and Certificate of Service concerning the above referenced matter. A copy of the above documents has also been enclosed. Please clock and return the copy to us in the self- addressed envelope provided.

Thank you for your time in this matter. If you have any questions or concerns, please do not hesitate to contact me or Stephanie Weissenstein.

With warm personal regards, I am,

Sincerely yours,
Beth Cogan
Beth Cogan, Paralegal
beth@desaballard.com

cc: (via Email)
John Rakowsky
Adrian Lee Falgione
(via U.S. Mail)
Andrew F. Lindemann
James Spencer
Adrian Lee Falgione
Marguerite Stephens
Ricky Stephens
Irene Santacroce
Rodney K. Lail

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	Case No. 2008-CP-40-6656
	)	
John R. Rakowsky	)	
	)	
Plaintiff,	)	
vs.	)	
	)	**MOTION FOR EQUITABLE INDEMNIFICATION**
Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison	)	
	)	
Defendants.	)	

Plaintiff John R. Rakowsky (hereafter "Rakowsky") moves this Honorable Court for an order awarding him equitable indemnification by way of reasonable attorneys' fees and costs incurred in pursuing this action, both against the balance of the interpleaded funds (after payment to Plaintiff Rakowsky and Defendant Law Offices of Adrian L. Falgione LLC (hereafter "Falgione") of attorneys' fees due them from the settlement of the underlying matter) as well as against Defendants James Spencer, Estate of Doris Holt, Nick Williamson on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens (to the extent that the balance of interpleaded funds is not sufficient to indemnify Rakowsky.

In support of his motion, Rakowsky would show:

1. Rakowsky, along with Falgione, served as co-counsel for certain plaintiffs in the case of Southern Holdings Inc. *et al.* v. Horry County *et al.*, Civil Action No. 4:02-cv-1859-RBH (hereafter "the Southern Holdings case"), which was settled on or about May 9, 2007. That settlement is final (despite numerous frivolous filings by defendant James

Spencer and others in the United States District Court for the District of South Carolina, the Fourth Circuit Court of Appeals, and elsewhere).

2. The settling Defendants in the Southern Holdings case tendered the settlement proceeds in the amount of $55,000.00 to Rakowsky as counsel for the plaintiffs in that matter.

3. Thereafter, certain of the Southern Holdings plaintiffs began filing *pro se* objections with the United States District Court and attempting to refute the settlement. The finality of the settlement has been repeatedly re-affirmed by the United States District Court.

4. This action was filed, in part, to interplead the settlement funds[1]. Although the Southern Holdings plaintiffs had agreed among themselves how to divide the $55,000.00 in settlement proceeds, their subsequent attempts to refute the settlement made it impossible for Rakowsky to disburse the settlement proceeds.

5. Rakowsky was obligated by law to file this interpleader action in order to pay the funds into court, after which the Court would proceed, in accordance with Rule 22, SCRCP, to determine the distribution of the settlement proceeds among any claimants of the proceeds.

6. On information and belief, the only claim that has been asserted against the settlement funds is by Rakowsky, for attorneys' fees in the amount of $22,000.00 for legal

[1] This action was also brought to interplead the remaining litigation funds which had been advanced and were being held by Rakowsky. That portion of the matter has already been dealt with by the Court by its order dated June 23, 2014.

services rendered to the Southern Holdings plaintiffs, in which Falgione has an interest[2].

7. On information and belief, none of the other parties to this action have claimed any right or entitlement to the balance of the settlement proceeds. Quite the opposite, the remaining defendants have attempted (via this proceeding and otherwise) to disclaim the settlement in its entirety, apparently for the purpose of seeking to re-litigate the original claims in the Southern Holdings litigation.
8. What should have been a simple interpleader action filed five (5) years ago has turned into a cauldron of confusion; certain defendants have delayed this action repeatedly, attempted to introduce irrelevant issues, made scathing claims, and even filed collateral lawsuits to try to influence the outcome of this case.
9. Rakowsky has incurred significant attorney fees in pushing this interpleader action forward, despite responding to the vicious attacks upon him by certain of the defendants, led primarily by James Spencer, the majority of which were unnecessary for the resolution of the issues presented. On information and belief, Rakowsky should not have to bear the expense of the pursuit of this action, which was made necessary by the actions of the defendants against whom equitable indemnification is sought.
10. Rakowsky is informed and believes that he should be entitled to equitable indemnification for the attorneys' fees and costs incurred by him in pursuing this action.[3]
11. Rakowsky has incurred significant attorneys' fees as a natural and necessary consequence of bringing and pursuing this action and in responding to the repeated and meritless

---

2 Claim filed December 12, 2013

3 *See* Spring & Sons v. South Carolina Ins. Co., 21 U.S. 268, 5 L. Ed. 614 (1823) (allowing the plaintiffs of an interpleader action to be paid costs from the interpleaded benefits of an insurance policy.

filings made by Spencer and his associates, including the Estate of Doris Holt, Nicholas Williamson, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Rodney Keith Lail. Additionally, Rakowsky's representations of these parties during the Southern Holdings litigation created the relationship necessary to establish an obligation on the part of his former clients to obligate them to satisfy their contractual obligations. Therefore Rakowsky's right to equitable indemnification is established.

12. Rakowsky was obligated to bring this action because Defendants James Spencer, Estate of Doris Holt, Nicholas Williamson, Irene Santacroce, Marguerite Stephens, Ricky Stephens, and Rodney Keith Lail refuse to honor the terms of the settlement agreement from the Southern Holdings case, which is a breach of contract under South Carolina law.[4]

13. Defendants' breach of contract by refusing the settlement of the Southern Holdings case forced Rakowky to bring this matter to the Court for decision..[5]

14. Rakowsky has incurred significant attorneys' fees connected with the current interpleader action filed in this Court. Rakowsky is therefore entitled to an award of reasonable attorneys' fees incurred in the filing of the current interpleader action under equitable indemnification, which claim is asserted against the balance of the settlement proceeds which are subject to this interpleader action.

15. Attached hereto and incorporated by reference is an accounting of attorney fees incurred by Rakowsky of fees and costs incurred by him in prosecuting this action. A detailed

---

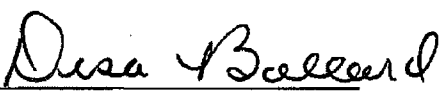
[4] *See* Byrd v. Livingston, 398 S.C. 237, 241, 727 S.E.2d 620, 621-2 (Ct. App. 2012).

[5] Where a wrongful act of a defendant has involved the plaintiff in litigation with others or placed him in such a relation with others as makes it necessary to incur expense to protect his interest, such expenses should be treated as the legal consequences of the original wrongful act and may be recovered by the plaintiff as damages. *See* Addy v. Bolton, 257 S.C. 28, 33, 183 S.E.2d 708, 709 (1971).

breakdown of time will be made available to the court for *in camera* inspection, to avoid disclosure of any attorney-client privileged information.

WHEREFORE, having fully set forth the grounds for the relief requested, Plaintiff moves for an order granting him an award of reasonable attorneys' fees incurred in pursuing this action, against the balance of the interpleaded funds, and to the extent that the interpleaded funds are not sufficient to fully indemnify him, also against Defendants James Spencer, Estate of Doris Holt, Nicholas Williamson, Irene Santacroce, Marguerite Stephens, Ricky Stephens, and Rodney Keith Lail to the extent that Rakowsky's fees are not paid by the balance of interpleaded funds.

Respectfully submitted,



Desa Ballard
Ballard & Watson
Post Office Box 6338
West Columbia, South Carolina 29171
Telephone 803.796.9299
Facsimile 803.796.1066
Email: desab@desaballard.com

COUNSEL FOR JOHN RAKOWSKY

July 24, 2014

STATE OF SOUTH CAROLIN COUNTY OF RICHLAND	)	IN THE COURT OF COMMON PLEAS
John R. Rakowsky Plaintiff, vs.	)	Case No. 2008-CP-40-6656
Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson, on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene Chewing, and Glenn W. Harrison, Defendants.	)	**CERTIFICATE OF SERVICE**

I, Kayleigh Hall, an intern with the Ballard & Watson, Attorneys at Law, do hereby certify that I served a copy of the **Motion for Equitable Indemnification** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed and Email, addressed as follows:

The Honorable Doyet A. Early, III
dearlyj@sccourts.org
Post Office Box 90
Bamberg, South Carolina 29003

Andrew F. Lindemann
Davidson & Lindemann, P.A.
alindemann@dml-law.com
Post Office Box 8568
Columbia, South Carolina 29202-8568

Benjamin C. Bruner
Bruner Powell Wall & Mullins, LLC
bbruner@brunerpowell.com
Post Office Box 61110
Columbia, South Carolina 29260

Michael Sribnick
michael.g.sribnickmdjdllc@gmail.com
3 Kenilworth Avenue
Charleston, South Carolina 29403

Via U.S. Mail Only

James Spencer
7001 Saint Andrews Road
P.O. Box 183
Columbia, South Carolina 29212

Marguerite Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29588

Ricky Stephens
207 Deer Trace Circle
Myrtle Beach, SC 29588

Nicholas Williamson
8005 White Ash Court
Oak Ridge, North Carolina 27310

Kayleigh Hall

Kayleigh Hall

July 24, 2014
West Columbia, South Carolina

Date	Entry#	Inv #	Client No. / Matter No.	Client Name / Matter Description / CL Intro Resp / Law Type	Fees	Disbs	Sales Tax	Write-offs	Total
Apr 5/2011	194713	114045	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	4305.50	0.00	0.00	0.00	4305.50
May 11/2011	198267	115118	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	7017.00	188.23	0.00	0.00	7205.23
Jun 6/2011	200565	116111	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	900.00	0.00	0.00	0.00	900.00
Jul 6/2011	203507	117124	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	857.50	0.00	0.00	0.00	857.50
Aug 3/2011	205940	118115	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	110.00	20.56	0.00	0.00	130.56
Sep 2/2011	209120	111027	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	588.00	0.00	0.00	0.00	588.00
Oct 5/2011	212333	111226	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	4235.00	52.80	0.00	0.00	4287.80
Nov 3/2011	215248	111637	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	1272.00	55.48	0.00	0.00	1327.48
Dec 5/2011	217912	111391	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	1075.50	0.00	0.00	0.00	1075.50
Jan 4/2012	220085	121129	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	613.00	65.60	0.00	0.00	678.60
Feb 18/2012	223682	122136	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	1679.50	0.00	0.00	0.00	1679.50
Mar 7/2012	225294	123140	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	310.50	6.30	0.00	0.00	316.80
Apr 17/2012	228658	124148	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	722.00	3.90	0.00	0.00	725.90
May 4/2012	230251	125130	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	506.00	0.00	0.00	0.00	506.00
Jun 6/2012	232761	126133	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	2506.50	0.00	0.00	0.00	2506.50
Jul 3/2012	235181	127133	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	8.50	2.30	0.00	0.00	10.80
Aug 3/2012	237591	128285	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	1884.00	5.25	0.00	0.00	1889.25
Sep 7/2012	240559	129147	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	379.50	0.00	0.00	0.00	379.50
Oct 4/2012	242889	121042	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	0.00	0.00	0.00	0.00	0.00
Nov 5/2012	245040	121228	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	0.00	0.00	0.00	0.00	0.00
Dec 7/2012	247273	121537	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	20.00	0.00	0.00	0.00	20.00
Jan 4/2013	249490	130145	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	80.00	0.00	0.00	0.00	80.00
Feb 6/2013	252072	130334	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	0.00	0.00	0.00	0.00	0.00
Mar 6/2013	254885	130540	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	40.00	0.00	0.00	0.00	40.00
Apr 4/2013	257423	130698	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	0.00	0.00	0.00	0.00	0.00
May 6/2013	260012	130841	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	220.00	0.00	0.00	0.00	220.00
Jun 7/2013	263153	137050	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / civ	0.00	0.00	0.00	0.00	0.00
Jul 2/2013	265602	138041	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / acvd	0.00	0.00	0.00	0.00	0.00
Sep 6/2013	273637	139044	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / acvd	40.00	0.00	0.00	0.00	40.00
Oct 4/2013	276486	139242	080820 / 080820-003	Rakowsky, Esquire, John / In the Matter of John Rakows / SNW / acvd	0.00	0.00	0.00	0.00	0.00
Nov 6/2013		139446	080820	Rakowsky, Esquire, John	570.00	1.38	0.00	0.00	571.38

Date	Entry#	Inv #	Client No. / Matter No.	Client Name / Matter Description / CL Intro Resp / Law Type	Fees	Disbs	Sales Tax	Write-offs	Total
	279573		080820-003	In the Matter of John Rakows SNW acvd					
Dec 6/2013	139738		080820	Rakowsky, Esquire, John	480.00	0.00	0.00	0.00	480.00
	282400		080820-003	In the Matter of John Rakows SNW acvd					
Jan 7/2014	140136		080820	Rakowsky, Esquire, John	8817.00	100.49	0.00	0.00	8917.49
	284557		080820-003	In the Matter of John Rakows SNW acvd					
Feb 4/2014	140280		080820	Rakowsky, Esquire, John	2130.00	11.62	0.00	0.00	2141.62
	286893		080820-003	In the Matter of John Rakows SNW acvd					
Mar 6/2014	140536		080820	Rakowsky, Esquire, John	10580.00	90.55	0.00	0.00	10670.55
	289607		080820-003	In the Matter of John Rakows SNW acvd					
Apr 3/2014	140736		080820	Rakowsky, Esquire, John	2870.00	0.00	0.00	0.00	2870.00
	291933		080820-003	In the Matter of John Rakows SNW acvd					
May 6/2014	140884		080820	Rakowsky, Esquire, John	5650.00	85.32	0.00	0.00	5735.32
	294332		080820-003	In the Matter of John Rakows SNW acvd					
Jun 5/2014	141089		080820	Rakowsky, Esquire, John	1795.00	84.27	0.00	0.00	1879.27
	296882		080820-003	In the Matter of John Rakows SNW acvd					
Jul 3/2014	141238		080820	Rakowsky, Esquire, John	3110.00	26.30	0.00	0.00	3136.30
	298916		080820-003	In the Matter of John Rakows SNW acvd					
Firm Total:					**65372.00**	**800.35**	**0.00**	**0.00**	**66172.35**

*** Summary by Fee Credit Lawyer ***

		%	Fees	Disbs	Write-offs	Total
DB	- Desa Ballard	53.907	35240.00	0.00	0.00	35240.00
HW	- Harvey Watson	0.704	460.00	0.00	0.00	460.00
SNW	- Stephanie Weissenstein	25.638	16760.00	800.35	0.00	17560.35
BC	- Beth Cogan	5.262	3440.00	0.00	0.00	3440.00
BS	- Brooks Schumacher	1.339	875.50	0.00	0.00	875.50
CR	- Christy Ransone	5.201	3400.00	0.00	0.00	3400.00
MH	- Malory Hogg	0.015	10.00	0.00	0.00	10.00
MTB	- Mara Ballard	6.555	4285.00	0.00	0.00	4285.00
TS1	- Terrie Stafford	0.026	17.00	0.00	0.00	17.00
AJ	- Andrew Johnson	0.343	224.50	0.00	0.00	224.50
ALJ	- Andrew Johnson	0.535	350.00	0.00	0.00	350.00
JJ	- James Johnson	0.474	310.00	0.00	0.00	310.00
	Total:		**65372.00**	**800.35**	**0.00**	**66172.35**

*** Summary by Responsible Lawyer ***

		%	Fees	Disbs	Write-offs	Total
SNW	- Stephanie Weissenstein	100.000	65372.00	800.35	0.00	66172.35
	Total:		**65372.00**	**800.35**	**0.00**	**66172.35**

*** Summary by Client Introducing Lawyer ***

	%	Fees	Disbs	Write-offs	Total
Total:		**0.00**	**0.00**	**0.00**	**0.00**

*** Summary by Matter Introducing Lawyer ***

	%	Fees	Disbs	Write-offs	Total
SNW - Stephanie Weissenstein	100.000	65372.00	800.35	0.00	66172.35
Total:		**65372.00**	**800.35**	**0.00**	**66172.35**

*** Summary by Type of Law ***

	%	Fees	Disbs	Write-offs	Total
acvd - AA-Civil Defense	100.000	65372.00	800.35	0.00	66172.35
Total:		**65372.00**	**800.35**	**0.00**	**66172.35**

*** Summary by Responsible Lawyer by Type of Law ***

	%	Fees	Disbs	Write-offs	Total
acvd - AA-Civil Defense					
SNW - Stephanie Weissenstein	100.000	65372.00	800.35	0.00	66172.35
Total:		**65372.00**	**800.35**	**0.00**	**66172.35**

REPORT SELECTIONS - Invoice Journal

Layout Template	Default
Advanced Search Filter	None
Requested by	Mara
Finished	Thursday, July 24, 2014 at 03:56:03 PM
Ver	12.0 SP3 (12.0.20130212)
Date Range	To Jul/24/2014
Matters	080820-003
Clients	All

Jul/24/2014

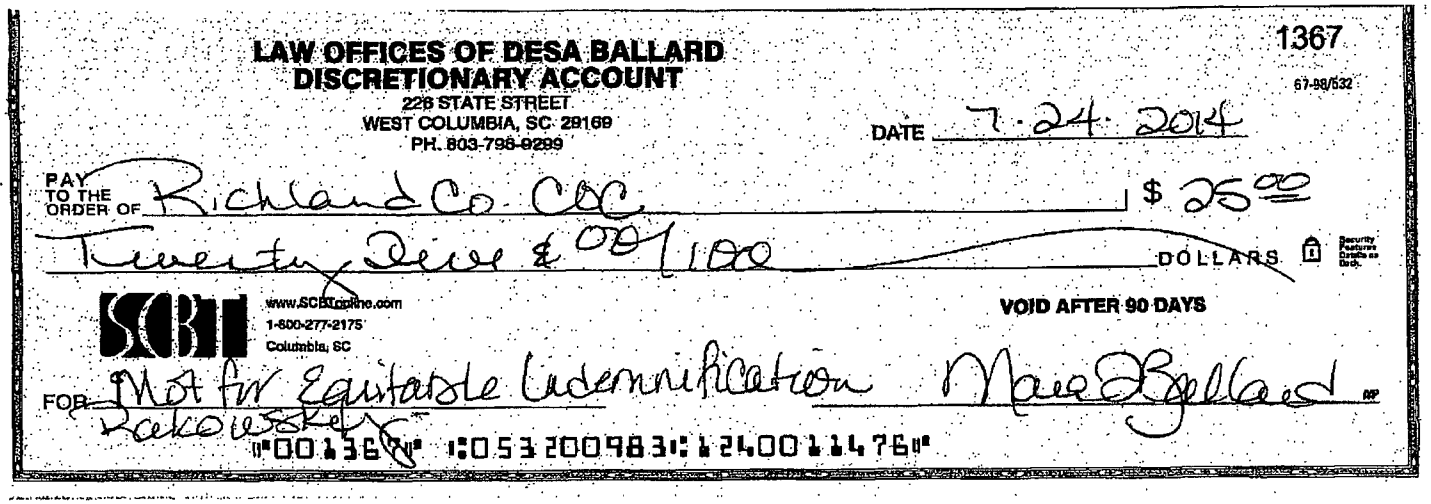
Ballard & Watson, Attorneys at Law
Invoice Journal
To Jul/24/2014

Date	Entry#	Inv #	Client No.	Matter No.	Client Name	Matter Description	CL Intro Resp	Law Type	Fees	Disbs	Sales Tax	Write-offs	Total
Mar 14/2008	106421	803072	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	6195.00	156.11	0.00	0.00	6351.11
Mar 14/2008	106639	803290	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	0.00	0.00	0.00	0.00	0.00
Apr 8/2008	108416	804114	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	693.00	63.94	0.00	0.00	756.94
May 6/2008	110570	805116	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	51.50	0.00	0.00	0.00	51.50
Jun 18/2008	112979	806095	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	200.50	26.41	0.00	0.00	226.91
Jul 11/2008	114677	807083	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	121.00	0.76	0.00	0.00	121.76
Sep 16/2008	118084	809106	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	592.00	45.77	0.00	-540.02	97.75
Apr 8/2010	160453	4145	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	12866.00	1377.14	0.00	-14243.14	0.00
May 5/2010	163712	5085	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	117.00	7.56	0.00	-124.56	0.00
Jun 4/2010	167041	6038	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	115.50	0.64	0.00	0.00	116.14
Jul 7/2010	170385	7036	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	153.00	0.00	0.00	0.00	153.00
Aug 6/2010	174156	8039	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	592.50	127.72	0.00	0.00	720.22
Sep 2/2010	176755	9049	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	868.00	21.72	0.00	0.00	889.72
Oct 6/2010	179737	10054	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	45.00	0.00	0.00	0.00	45.00
Nov 5/2010	183020	11084	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	750.00	10.40	0.00	0.00	760.40
Dec 8/2010	185421	12052	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	796.50	8.86	0.00	0.00	805.36
Jan 7/2011	187797	110045	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	448.50	237.14	0.00	0.00	685.64
Feb 4/2011	189855	110247	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	85.00	0.00	0.00	0.00	85.00
Mar 3/2011	192141	113046	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	1181.00	193.42	0.00	0.00	1374.42
Apr 5/2011	194712	114044	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	119.50	9.94	0.00	0.00	129.44
May 11/2011	198265	115117	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	115.00	502.08	0.00	0.00	617.08
Jun 6/2011	200564	116110	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	1438.50	233.60	0.00	0.00	1672.10
Jul 6/2011	203506	117123	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	260.00	13.86	0.00	0.00	273.86
Aug 3/2011	205939	118114	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	3415.00	54.68	0.00	0.00	3469.68
Sep 2/2011	209119	111026	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	930.00	22.84	0.00	0.00	952.84
Oct 5/2011	212332	111225	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	0.00	0.00	0.00	0.00	0.00
Nov 3/2011	215247	111636	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	0.00	0.00	0.00	0.00	0.00
Dec 5/2011	217911	111350	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	80.00	0.00	0.00	0.00	80.00
Jan 4/2012	220084	121128	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	0.00	0.00	0.00	0.00	0.00
Feb 18/2012	223681	122135	080820	080820-001	Rakowsky, Esquire, John	John Rakowsky vs. Adriann Fa	HW	areg	102.50	23.60	0.00	0.00	126.10
Mar 7/2012		123139	080820		Rakowsky, Esquire, John				0.00	0.00	0.00	0.00	0.00

Date / Entry#	Inv #	Client No. / Matter No.	Client Name / Matter Description / CL Intro Resp / Law Type	Fees	Disbs	Sales Tax	Write-offs	Total
225293		080820-001	John Rakowsky vs. Adriann Fa HW areg					
Apr 17/2012 228657	124147	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	242.50	0.00	0.00	0.00	242.50
May 4/2012 230250	125129	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jun 6/2012 232760	126132	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	25.50	9.25	0.00	0.00	34.75
Jul 3/2012 235180	127132	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Aug 3/2012 237590	128284	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	9.90	0.00	0.00	9.90
Sep 7/2012 240558	129146	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Oct 4/2012 242888	121041	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Nov 5/2012 245039	121227	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Dec 7/2012 247272	121536	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jan 4/2013 249489	130144	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Feb 6/2013 252071	130333	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Mar 6/2013 254884	130539	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Apr 4/2013 257422	130697	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
May 6/2013 260011	130840	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jun 7/2013 263152	137049	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jul 2/2013 265601	138040	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Sep 6/2013 273636	139043	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Oct 4/2013 276485	139241	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Nov 6/2013 279572	139445	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Dec 6/2013 282399	139737	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jan 7/2014 284556	140135	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Feb 4/2014 286892	140279	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Feb 21/2014 288471	140425	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Mar 6/2014 289606	140535	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Apr 3/2014 291932	140736	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
May 6/2014 294331	140883	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jun 5/2014 296881	141088	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Jul 3/2014 298915	141237	080820 080820-001	Rakowsky, Esquire, John John Rakowsky vs. Adriann Fa HW areg	0.00	0.00	0.00	0.00	0.00
Firm Total:				32599.50	3157.34	0.00	-14907.72	20849.12

*** Summary by Fee Credit Lawyer ***

%	Fees	Disbs	Write-offs	Total



LAW OFFICES OF DESA BALLARD
DISCRETIONARY ACCOUNT
228 STATE STREET
WEST COLUMBIA, SC 29169
PH. 803-798-9299

1367
67-98/532

DATE 7-24-2014

PAY TO THE ORDER OF Richland Co. COC $ 25.00

Twenty Five & 00/100 DOLLARS

Security Features Details on Back.

SCBT
www.SCBTonline.com
1-800-277-2175
Columbia, SC

VOID AFTER 90 DAYS

FOR Not for Equitable Indemnification Mary Ballard

Rakowski

⑈00136⑈ ⑆053200983⑆ 124001476⑈

STATE OF SOUTH CAROLINA)
) IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND) 5TH JUDICIAL CIRCUIT
)
) CASE NO.: 2008-CP-40-6656
)
John R. Rakowsky) **MOTION AND ORDER INFORMATION**
Plaintiff,) **FORM AND COVERSHEET**
vs.)
)
Law Offices of Adrian L. Falgione, LLC, James Spencer, Estate of Doris Holt, Nick Williamson on behalf of RSC, Irene Santacroce, Rodney Keith Lail, Marguerite Stephens and Ricky Stephens, Michael Hartness, Horry County, S.C., Eugene G. Chewing, and Glenn W. Harrison,)
)
)
Defendants.

Plaintiff's Attorney:	Defendant's Attorney:
Desa Ballard Bar No. 00498 Address: Post Office Box 6338 West Columbia, South Carolina 29171 Phone: (803) 796.9299 Fax (803) 796.1066 E-mail: desab@desaballard.com Other:	Please see attached

☐ **MOTION HEARING REQUESTED (attach written motion and complete SECTIONS I and III)**
☒ **FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)**
☐ **PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)**

SECTION I: Hearing Information

Nature of Motion: _____
Estimated Time Needed: _____ Court Reporter Needed: ☐ **YES**/☐ **NO**

SECTION II: Motion/Order Type

Written motion attached
☐ Form Motion/Order
I hereby move for relief or action by the court as set forth in the attached proposed order.

_____ _____
Signature of Attorney for ☐ Plaintiff /☐ Defendant Date submitted

SECTION III: Motion Fee

☒ PAID – AMOUNT: $ $25.00
☐ EXEMPT: (check reason)
☐ Rule to Show Cause in Child or Spousal Support
☐ Domestic Abuse or Abuse and Neglect
☐ Indigent Status ☐ State Agency v. Indigent Party
☐ Sexually Violent Predator Act ☐ Post-Conviction Relief

☐ Motion for Stay in Bankruptcy ☐ Motion for Publication ☐ Motion for Execution (Rule 69, SCRCP) ☐ Proposed order submitted at request of the court; or, reduced to writing from motion made in open court per judge's instructions Name of Court Reporter: _____ ☐ Other: _____	
JUDGE'S SECTION ☐ Motion Fee to be paid upon filing of the attached order. ☐ Other: _____	JUDGE CODE _____ Date: _____
CLERK'S VERIFICATION Collected by:_____ Date Filed: _____ ☐ MOTION FEE COLLECTED: $ _____ ☐ CONTESTED – AMOUNT DUE: $ _____	

SCCA 233 (11/2003)

Ballard & Watson
Attorneys at Law
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169
ph 803.796.9299 | fx 803.796.1066 | desaballard.com

July 24, 2014

Via U.S. Mail
The Honorable Jeanette W. McBride
Richland County Clerk of Court
Post Office Box 2766
Columbia, South Carolina 29202

Re: *John Rakowsky vs. Adrian Falgione, et al.*
Case No: 2008-CP-40-6656

Dear Ms. McBride:

Enclosed for filing with your office, please find the original and one (1) copy of the Motion for Equitable Indemnification in the above-referenced matter. Please have your office file the original and return the stamped filed copies via our self-address stamped envelope that is provided. If you have any questions please do not hesitate to call.

By copy of this letter, I am serving the same upon the other parties of record. With warm personal regards, I am,

Sincerely yours,

Desa Ballard
desab@desaballard.com

cc: (all via Email and U.S. mail)
The Honorable Doyet A. Early, III
Andrew Lindemann, Esquire
Benjamin Bruner, Esquire
Michael Sribnick, Esquire
(via U.S. Mail only)
James Spencer
Marguerite Stephens
Ricky Stephens
Nicholas Williamson
(via Email only)
John Rakowsky, Esquire

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND John R. Rakowsky Plaintiff, vs. Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C., Defendants.	IN THE COURT OF COMMON PLEAS Case No. 2008-CP-40-6656 **AFFIDAVIT OF JOHN RAKOWSKY**

Personally appeared before me, John R. Rakowsky, who being duly sworn, deposes and says that:

1. I am over the age of eighteen (18) years and am competent to state the matters set forth herein. I have personal knowledge of the matters so stated, except those matters stated on information and belief, and as to those, I have a good faith basis for believing them to be true.
2. I am a member of the South Carolina Bar, having been admitted in 1979. I was previously admitted to practice law in Ohio in 1976. I have maintained a solo practice in Lexington County since I was admitted to practice in South Carolina. For the past twenty-seven (27) years I have been a municipal judge for Lexington, South Carolina. As a result, I practice law part-time.
3. I am providing this affidavit at the direction of Judge Doyet A. "Jack" Early regarding that portion of this action which addresses my request to interplead the remaining litigation funds into the Court for distribution as the Court deems appropriate.

4. During my tenure as co-counsel for the Plaintiffs, I received a total of $67,500.00 in advanced litigation funds on behalf of the plaintiffs from two (2) different funding sources. These funds were deposited into my trust account at Security Federal Bank, Account ending in xxxx1313. The funds were used for litigation expenses as set forth in the affidavit of Mara Ballard dated April 17, 2014, submitted herewith.
5. On or about June 21, 2005, as counsel for the plaintiffs in the Southern Holdings case in United States District Court. I received two checks totaling $42,500.00 from LitFunding USA, a/k/a LFC 101, LLC, and LFC 104, LLC and deposited those funds to Account xxxx1313, which was and is my trust account.
6. On or about June 30, 2005, I received one check in the amount of $25,000.00 from Resolution Settlement Corporation and deposited those funds into account xxxx1313.
7. I have reviewed the affidavit of Ms. Ballard, and the attachments in detail, and it is an accurate reflection of funds received by me as counsel for the Southern Holdings plaintiffs, and disbursed as litigation expenses on behalf of the Southern Holdings plaintiffs.
8. Resolution Settlement corporation authorized me to advance funds to James Spencer for living expenses from the $25,000.00 paid by it. (Exhibit A). Mr. Spencer was advanced a total of $12,550.00 from the litigation funds.
9. I maintained records of the disbursements for the Southern Holdings case, and I provided Mr. Spencer and the other plaintiffs with a record of disbursements.
10. On multiple occasions, I reimbursed myself from the trust account for out-of-pocket expenses (copy costs, telephone costs, postage, etc.) for several cases at one time. That is my standard practice. On each occasion, I calculated the actual numbers for each client and bundled them together to write myself a single check for reimbursement. Costs reimbursed

to me for the Southern Holdings case are included in the following check numbers written to me from Account xxx1313: Check Nos. 219, 233, 247, 277,342, 400. I did not maintain records of the breakdown for the individual case calculations for each case when I reimbursed case costs on these occasions.

11. After the Southern Holdings plaintiffs repudiated the settlement which was reached on May 8, 2007, I consulted with attorney Desa Ballard as to what to do with the remaining litigation funds in the amount of $9,855.85, as well as the settlement funds paid by the defendants.

12. I delivered a check from my trust account xxx1313 to Ms. Ballard in the amount of $9,855.85. I am informed and believe she deposited those funds into her trust account. On my behalf, she filed this interpleader action on September 12, 2008.

13. During the litigation, and in response to one of the amended complaints, an invoice was received for an unpaid litigation expense in the amount of $2,163.77. This was a legitimate expense of the litigation that was to be paid from the advanced litigation costs. I consulted with Ms. Ballard, and she paid the amount of $2,163.77 from her trust account to Eugene G. Chewning, Jr., PhD, CPA for services he rendered for the plaintiffs during the litigation.

14. I am informed and believe that Mr. Spencer obtained an advance of $35,000 from a third source, LawMax, in 2007. I did not receive any of those funds. Based on the documentation which I have regarding that transaction (Exhibit B), I am informed and believe those funds went either to Mr. Serota or to Mr. Spencer.

15. I am informed and believe that the balance of litigation funds in the amount of $7,691.78 are being held in Ms. Ballard's trust account, pending this court's order. I am aware of no claims having been filed against those funds.

Further, deponent sayeth not.

John R. Rakowsky

Sworn to before me this 16th
day of May, 2014

Notary public for South Carolina
My Commission expires: 11.28.17

Exhibit A 13

RESOLUTION SETTLEMENT CORPORATION
9360 W. Flamingo Rd. Suite 110-527
Las Vegas, NV 89147
Phone: 702 736 8883
Fax: 702 736-8821

October 14,2005

John Rakowsky, Esquire
900 West 12th Street
West Columbia SC 29169

Re: Confirmation that funding is also used for victim's personal expenses.

Dear John,

Jim Spencer can use funding money for needed personal expenses as the funding is for both the victim's direct legal and personal expenses to assist him through the case.

Just a reminder that there is still a $2,000 finder fee reimbursement due to RSC.

Yours truly,

Bruce Benson

Cc: James B. Spencer

EXHIBIT 13

Subj: suspension
Date: 3/6/2007 4:29:15 P.M. Eastern Standard Time
From: nowillia@uncg.edu
To: rserota@aol.com

Dear Mr. Ron Serota,

Based upon your failure to appear at Federal District Court at the February 9, 2007, hearing as well as your deliberate sabotaging of the funding for this case, you are hereby suspended for taking any further actions on behalf of either Southern Holdings, Inc., or myself (individually) in the Federal District Court case in Florence, SC.

In the next several days, I am holding a BOD meeting where James Spencer will not be voting regarding the actions the Corporation will take regarding you from this point forward. Mr. Spencer has indicated that he will abstain from voting.

I strongly suggest you attempt to repair the financial damages of the lost $35,000 that you caused the litigation yesterday prior to my holding of the BOD meeting the latter part of this week.

It is with heavy heart that I take this action, but you have left me and Southern Holdings, Inc., no recourse.

Very truly yours,

Nicholas C. Williamson
336-334-4533

CC: John Rakowsky
Adrian Falgione
Bruce Benson
Individual members of the BOD of Southern Holdings, Inc.

Subj: Suspension...
Date: 3/6/2007 10:04:08 P.M. Eastern Standard Time
From: JBSpen777
To: Rsarota
CC: JohnRakowskyLawOfc@sc.rr.com, adrianfalgione@alltel.net, ncwillia@uncg.edu

Ron,

I received Nick Williamson's notification of your suspension and the upcoming BOD meeting. At this point you are no longer authorized to take any actions on my behalf regarding the case in Federal District Court.

I do not consider your missing the court hearing on February 9. 2007, because of a free trip to Hawaii nor the sabotage of the funding yesterday to be positive actions in this case regarding my representation.

These and other matters I consider very troubling. I think it is in the best interest for you to resign for work load related reasons rather then taking the actions of terminating you for cause.

I also request you try and repair the damage you did to the funding yesterday and attribute your misguided actions to your stress rather then any other motivation.

Again, you are not to take any actions on my behalf regarding this case from this point forward.

Sincerely,

James Spencer

James B. Spencer

Contents of this e-mail are Strictly Confidential

This e-mail and any files transmitted with it are the property of The Center for Legal Reform and/or its affiliates, are confidential, and are intended solely for the use of the individual or entity to whom this e-mail is addressed. If you are not one of the named recipients or otherwise have reason to believe that you have received this e-mail in error, please notify the sender and delete this message immediately from your computer. Any other use, retention, dissemination, forwarding, printing or copying of this e-mail is strictly prohibited.

AOL now offers free email to everyone. Find out more about what's free from AOL at AOL.com.

LAWMAX
LEGAL FINANCE

BY FAX: (803) 794-2788

March 09, 2007

John R. Rakowsky, Esq.
Law Office of John R. Rakowsky
P.O. Box 3593
West Columbia, SC 29171

Re: James Spencer

Dear Mr. Rakowsky:

We are pleased to pre-approve an advance of $35,000.00 to James Spencer for a claim against Horry County, South Carolina Horry County Sheriff's Department, Horry County Police Department, City of Myrtle Beach, Myrtle Beach Police Department, James Albert Allen, Jr., Sidney Rick Thompson, Jeffrey S. Caldwell, Charles McClendon, Jay Bramly, Andy Christensen, Warren Gall, Richard Parrish, J.L. Zimmerman, Michael Steven Harmes, Harold Steven Harmes, Ancil B. Garvin, III, David Smith, Richard B. Way, and any other parties that may be added or substituted. If your client received any prior advances from LawMax, please be advised that this advance is a separate investment.

Attached is a Claim Investment Agreement. Please complete the portion regarding liens and assignments (Appendix II). If there are none, then the word "None" should be inserted in that section. The advance will not be made if this section is left blank.

The agreement should be signed by both you and your client in the appropriate places, and your client's signature must be notarized. The agreement should also be initialed by you (Appendix II) and your client in the appropriate places.

After it has been completed and signed, please fax the agreement back to us along with copies of your client's valid picture ID and Social Security card. Please also mail a fully executed original to us. Upon receipt of the faxed copy, we will promptly send a check to your client.

If your client requires funds to be sent via overnight courier, we will deduct $20.00 (or $30.00 for Saturday delivery) from the investment amount for delivery expenses. This charge will not apply if the advance is $3,000 or more.

Please mark James Spencer's file accordingly to reflect our lien. In the event your firm obtains a recovery on behalf of your client, you must honor our lien in full prior to distributing any funds to your client.

If you have any questions or if we can be of service to any of your other clients, please feel free to call us at 212-480-3707. Thank you for your assistance. We look forward to working with you!
Very truly yours,
Thank you for your assistance.
New Amsterdam Capital Partners LLC d/b/a LawMax Legal Finance

Tanya Kossarkova
Account Executive

409 Columbus Avenue, Suite 339
New York, New York 10024
tel: 1-212-480-3707
fax: 1-212-480-3874
info@fundmycase.com
www.fundmycase.com

EXHIBIT
13

CLAIM INVESTMENT AGREEMENT

DISCLOSURE STATEMENT

1. Principal Amount to be advanced by Buyer to Seller under this Agreement:	$35,000.00
2. Minimum annual rate of return for the first year:	2.2 x Investment Amount

3. Total amount to be paid by Seller to Buyer (the "LawMax Ownership Stake"):

On or before August 23, 2007	$63,000.00
After August 23, 2007 but on or before February 23, 2008	$77,000.00
After February 23, 2008 but on or before August 23, 2008	$91,000.00
After August 23, 2008 but on or before February 23, 2009	$105,000.00
After February 23, 2009 but on or before August 23, 2009	$122,500.00
After August 23, 2009 but on or before February 23, 2010	$140,000.00
After February 23, 2010	$157,500.00

*** CONSUMER'S RIGHT TO CANCELLATION: YOU MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE YOU RECEIVE FUNDING FROM BUYER. In order for the cancellation to be effective, you must either: (i) return the full amount of disbursed funds to Buyer by delivering Buyer's uncashed check to Buyer's office in person, within 5 business days of the disbursement of funds, or (ii) mail a notice of cancellation and include in that mailing a return of the full amount of disbursed funds (in the form of Buyer's check, or a registered or certified check or money order), by insured, registered or certified United States mail, postmarked within five business days of receiving funds from Buyer, at the following address: 459 Columbus Ave., Suite 259, New York, NY 10024.***

CLIENT'S INITIALS

LawMax tel. 212-480-3707 fax 212-480-3674

EXHIBIT 14

CLAIM INVESTMENT AGREEMENT

This Claim Investment Agreement ("Agreement") is entered into this February 23, 2007 by and between James Spencer, [redacted] ("Seller"), who resides at 7701 Street Andrews Box 183, Columbia, SC 29212, and LawMax Legal Finance ("Buyer"), located at 459 Columbus Avenue, Suite 299, New York, New York 10024.

WHEREAS, Seller is the plaintiff in a legal claim against Horry County, South Carolina Horry County Sheriff's Department, Horry County Police Department, City of Myrtle Beach, Myrtle Beach Police Department, James Albert Allen, Jr., Sidney Rick Thompson, Jeffrey S. Caldwell, Charles McClendon, Jay Beatty Andy Christensen, Warren Gall, Richard Parosh, J.L. Zimmerman, Michael Steven Hartness, Harold Steven Hartness, Ancil B. Garvin, III, David Smith, Richard B. Way, and any other parties that may be added or substituted, including all applicable uninsured/underinsured insurance carriers and workers' compensation claims (cumulatively referred to as the "Claim"); and

WHEREAS, Seller desires to ensure the receipt of some proceeds from the Claim without regard to its outcome and wishes to sell the right to receive a portion of the proceeds recovered, if any, with respect to the Claim.

WHEREAS, Seller does not have sufficient funds to pay for living expenses during the pendency of the Claim, does not have sufficient income or assets to obtain a loan and cannot obtain funds from other sources; and

WHEREAS, Buyer is in the business of investing in claims by purchasing the right to receive portions of the proceeds recovered from the settlements of claims and lawsuits and from judgments and desires to purchase from Seller an interest in its proceeds from the Claim; and

NOW THEREFORE, for valuable consideration, the receipt, sufficiency and adequacy of which is hereby acknowledged, the parties hereby agree to as follows:

1. Purchase Price; Buyer's Payment to Seller. Buyer shall pay THIRTY-FIVE THOUSAND AND 00/100 DOLLARS ($35,000.00) to Seller ("Investment Amount"). Said Investment Amount is paid without recourse or other obligation of Seller to repay it, except as expressly set forth herein.

2. Sale and Purchase; Seller's Payment to Buyer. Seller hereby unconditionally and irrevocably grants, assigns, transfers and conveys to Buyer the following right, title and interest in the Proceeds (defined hereunder in Article 13) from the Claim (the "LawMax Ownership Stake") as set forth in the Payment Schedule below:

Payment Schedule	LawMax Ownership Stake
On or before August 23, 2007	$63,000.00
After August 23, 2007 but on or before February 23, 2008	$77,000.00
After February 23, 2008 but on or before August 23, 2008	$91,000.00
After August 23, 2008 but on or before February 23, 2009	$105,000.00
After February 23, 2009 but on or before August 23, 2009	$122,500.00
After August 23, 2009 but on or before February 23, 2010	$140,000.00
After February 23, 2010	$157,500.00

3. Seller's Additional Payment Terms. The LawMax Ownership Stake shall be due and payable by Seller to Buyer in full on the date the Proceeds from the Claim are recovered. The amount of LawMax Ownership Stake will be adjusted to reflect the actual date of payment of the Principal Amount by Buyer to Seller.

CLIENT'S INITIALS

4. **Priority of Payments.** Seller acknowledges that any Proceeds recovered from the Claim shall be paid to Buyer first, before Seller is entitled to receive any funds or distributions. In the event the Proceeds are received in multiple payments, whether pursuant to a structured settlement, annuity, or other form of installment payment, Buyer's right to receive the LawMax Ownership Stake in full shall be prior and senior to Seller's right to receive any portion of the proceeds from the Claim. Seller may terminate this Agreement at any time by the payment to Buyer of the LawMax Ownership Stake in accordance with the Payment Schedule set forth in Article 2 above. All prepayments shall be credited first to the difference between the LawMax Ownership Stake and the Investment Amount.

5. **Non-Recourse Investment.** Seller acknowledges that Buyer shall advance funds under this Agreement on a non-recourse basis only. In the event Seller does not recover any Proceeds from the Claim, Seller shall not be obligated to pay Buyer anything, and Buyer shall further forfeit its entire investment hereunder. Furthermore, in the event Seller recovers Proceeds from the Claim which are insufficient to pay the full LawMax Ownership Stake due to Buyer, then Buyer's total entitlement shall be limited to the gross amount of Seller's recovery after attorney's fees and costs.

6. **Risk of Loss; No Loan.** Seller acknowledges that the transaction contemplated by this Agreement involves a high risk of loss to Buyer. The funding provided by Buyer is a non-recourse purchase of an interest in the prospective Proceeds of the Claim and is not a loan. This transaction is an absolute assignment from Seller to Buyer and is fully perfected as of the date hereof. Seller agrees not to treat and report this transaction as a loan for all purposes, including taxes.

7. **Fully Informed.** Seller acknowledges that every page of this Agreement has been fully explained to him and all questions that he may have regarding this transaction have been fully answered. Seller has had an opportunity to consult with its attorney and other advisors before signing this Agreement.

8. **Seller's Right of Rescission.** CONSUMER'S RIGHT TO CANCELLATION: SELLER MAY CANCEL THIS AGREEMENT WITHOUT PENALTY OR FURTHER OBLIGATION WITHIN FIVE BUSINESS DAYS FROM THE DATE SELLER RECEIVES FUNDING FROM BUYER. In order for the cancellation to be effective, SELLER must either: (i) return the full Investment Amount of disbursed funds to Buyer by delivering Buyer's uncashed check to Buyer's office in person, within five (5) business days of the disbursement of funds, or (ii) mail a notice of cancellation and include in that mailing a return of the full Investment Amount of disbursed funds (in the form of Buyer's uncashed check; or a registered or certified check or money order), by insured, registered or certified United States mail, postmarked within five business days of receiving funds from Buyer, at the following address: 459 Columbus Avenue, Suite 299, New York, New York 10024.

9. **No Obligation to Reduce Lien.** Seller acknowledges that Buyer is under no obligation to reduce its lien if Seller obtains a recovery from the Claim.

10. **Waiver of Defenses; No Avoidance of Payment.** Seller hereby waives any defenses to payment of any LawMax Ownership Stake due to Buyer and hereby agrees not to seek avoidance of payment of this amount.

11. **Right of First Refusal for Additional Funding; Limits on Advances.** Seller hereby grants Buyer the exclusive right of "first refusal" for any additional funding that Seller may require with respect to the Claim. Seller agrees not to obtain funding from any other source with respect to the Claim without the express written consent of Buyer.

12. **Irrevocable Power of Attorney in Favor of Buyer.** Seller hereby irrevocably appoints Buyer as its true and lawful attorney-in-fact, in its name, place and stead, with full powers to request and receive all information related to the Claim from any sources, including but not limited to medical providers, attorneys, insurance companies, law enforcement, and government organizations. This power of attorney shall remain in full force and be binding until Buyer is paid in full in accordance with the terms of this Agreement.

CLIENT'S INITIALS

13. **Proceeds for LawMax Ownership Stake.** For the purpose of this Agreement, the Proceeds shall be the gross amount (after attorneys' fees and costs) paid to Seller by or on behalf of one or more of the defendants to settle the matters which are the subject of the Claim, or pursuant to any verdict or judgment entered against them with respect to the matters which are the subject of the Claim.

14. **No transfer of Claim or Right of Action.** The parties to this Agreement intend to sell and to purchase the right to receive a portion of the Proceeds that may be recovered with respect to the Claim. This Agreement does not transfer or convey any right of action, cause of action or claim for relief which Seller may have against any of the defendants in the Claim or any other person or entity arising out of the facts, transactions, occurrences or events which are alleged in, or are the subject of, the complaint, as amended, on file in the Claim. Buyer shall not have any right to control, interfere with, or influence the prosecution of the case on behalf of Seller with respect to the Claim or any settlement negotiations that may occur.

15. **No Encumbrances on Proceeds; No Fraud.** Seller represents to Buyer that it has good and marketable title to the Proceeds of the Claim and that it has not, prior to the date hereof, sold, encumbered, transferred, assigned and/or conveyed any interest in the Proceeds of the Claim to any other person or entity, except as provided in the Attorney Acknowledgement and Undertaking section of Appendix II hereto, and that Seller shall not do so in the future. Seller has not committed fraud in connection with this Agreement or the Claim, and all statements, disclosures, and representations made by Seller to Buyer are truthful, complete, accurate and correct. Seller has informed Buyer regarding the status of all actions, facts and circumstances that materially affect or impair the Claim as well as Seller's and Buyer's rights.

16. **Seller's Brokers; No Authority to Negotiate Lien.** Seller hereby acknowledges that in the event any broker or intermediary referred it to Buyer for funding, such intermediary is an agent of Seller and not an agent of Buyer. Seller shall not negotiate Buyer's lien with anyone other than Buyer, including but not limited to brokers, agents, independent contractors, etc. Any reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

17. **Instructions to Attorney.** Seller hereby irrevocably instructs and directs its attorney of record with respect to the Claim to sign this Agreement in the appropriate space provided in the Attorney Acknowledgment and Undertaking section in Appendix II hereof, to acknowledge notice of this Agreement and the rights created thereby, to disclose to Buyer all assignments, conveyances and transfers of, and liens upon the Proceeds and to distribute the Proceeds to Buyer in compliance with the provisions herein.

18. **Mandatory Updates.** Seller hereby irrevocably instructs and directs its attorney of record to keep Buyer updated regarding any changes affecting this case and to provide written updates regarding the case status at Buyer's request.

19. **Substitution of Attorney.** If Seller substitutes another lawyer or law firm as its attorney of record with respect to the Claim, Seller and its current attorney of record shall each give Buyer immediate written notice thereof by certified mail, return receipt requested, and state the name, address and telephone number of Seller's new attorney of record.

20. **Instructions to Substituted Attorney(s).** If Seller substitutes another lawyer or law firm as its attorney of record with respect to the Claim, Seller hereby irrevocably instructs and directs the new attorney(s) and law firm(s) to acknowledge this Agreement by signing it in the appropriate space below and to distribute the LawMax Ownership Stake in accordance with this Agreement. Seller further irrevocably instructs and directs his new attorney(s) to keep Buyer updated regarding any changes affecting the Claim and to provide written updates regarding the case status at Buyer's request. Notwithstanding anything to the contrary, Seller irrevocably instructs and directs all substituted or new attorneys of record to strictly comply with all obligations contained in and derived from this Agreement, including any appendices and acknowledgments hereto.

CLIENT'S INITIALS

21. Mandatory Documents and Reports of Supplementary Information. Seller shall promptly notify Buyer in writing if and when: (a) Seller enters into an agreement with any defendant to settle the Claim or any portion thereof; (b) Seller receives any notices or documents evidencing any receipt of payments or promises or make payments with respect to the Claim; and (c) Seller's attorney receives any Proceeds with respect to the Claim.

22. Right to Notify Defendant. Buyer reserves the right to notify the defendants, the defendant(s)' attorney(s) and/or defendant(s)' insurance company(s) regarding this Agreement and to furnish them a copy of this Agreement.

23. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors-in-interest, heirs, executors, representatives, successors and assigns.

24. No Attorney-Client Relationship. Buyer is not engaged in the practice of law, and does not represent Seller as its attorney. Buyer assumes no obligations whatsoever with respect to the Claim.

25. Entire Agreement. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, covenants or obligations except as set forth herein. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, between the parties hereto relating to any transaction contemplated by this Agreement. This Agreement can be modified only in writing.

26. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AS OPPOSED TO CONFLICT OF LAWS PROVISIONS) OF THE STATE OF NEW YORK. SUBJECT TO ARTICLE 27 BELOW, BUYER AND SELLER HEREBY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT LOCATED IN THE BOROUGH OF MANHATTAN IN NEW YORK CITY, AND EACH WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO THE ADDRESS SET FORTH IN THE FIRST PARAGRAPH OF THIS AGREEMENT AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON RECEIPT THEREOF. BUYER AND SELLER HEREBY WAIVE ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT. BUYER AND SELLER EACH HEREBY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, SOUNDING IN CONTRACT, TORT, OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO, OR IN CONNECTION WITH THIS AGREEMENT. INSTEAD, ANY DISPUTE RESOLVED IN COURT WILL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

27. Arbitration. Any controversy or claim arising out of or relating to this Agreement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

CLIENT'S INITIALS

28. Waiver of Counterclaims. Seller waives all rights to interpose any claims, deductions, setoffs or counterclaims of any nature (other than compulsory counterclaims) in any action or proceeding with respect to this Agreement or any matter arising therefrom or relating hereto or thereto.

29. No Seller Bankruptcy. Seller hereby represents and warrants that it is now not subject to any bankruptcy proceeding or proceeding regarding the appointment of any trustee or receiver for all or any part of its property, and that it does not intend to file for bankruptcy at any time in the future and there are no lawsuits or other efforts by any of its creditors to put Seller into bankruptcy.

30. Treatment in Bankruptcy. In the event Seller commences, or has commenced against it, any case (or other proceeding) pursuant to any bankruptcy, insolvency or similar law prior to Buyer's receipt of the LawMax Ownership Stake payable hereunder, Seller shall cause Buyer's entitlement hereunder to be described as an asset of Buyer in any oral or written communications, including, but not limited to, any schedule or other documents, made or filed in connection with any such case or proceeding. In no event shall Seller permit Buyer's interest, as contemplated herein, to be described as a debt or obligation of Seller to Buyer in any such communication.

31. Collection Expenses. In the event of any legal action or proceeding to interpret or enforce this Agreement, the prevailing party shall be entitled to recover its reasonable actual attorneys' fees and expenses incurred therein from the unsuccessful party.

32. Courier Expenses. In the event Seller requests the funds to be sent via overnight courier, Seller hereby authorizes Buyer to deduct TWENTY AND 00/100 DOLLARS ($20.00), or THIRTY AND 00/100 DOLLARS ($30.00) for Saturday delivery, from the Investment Amount for overnight delivery expenses.

33. Equal Bargaining Position. This Agreement shall be deemed to have been negotiated and drafted by both parties of equal bargaining position; its provisions shall be interpreted in accordance with the plain meaning of the words used and shall not be construed strictly in favor of, or against, either party.

34. Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, articles or sections contained this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to the greatest period which would be valid.

35. Event of Default. In the event Seller breaches any of its obligations under this Agreement, such breach shall constitute an Event of Default hereunder.

36. No Circumvention; False Statements. Seller shall take no steps to circumvent the rights and obligations set forth in this Agreement in any way whatsoever and shall not attempt to avoid payment to Buyer. Seller shall not make any false statements to Buyer in connection with the Claim or this Agreement. Any breach of this article shall increase the LawMax Ownership Stake by FIFTY PERCENT (50 %).

CLIENT'S INITIALS

37. Waiver. Any waiver, changes, modifications or corrections made by Seller, and/or its attorney(s) or representative(s) in this Agreement shall be invalid and void unless expressly authorized by Buyer in writing. The failure of any party to enforce, at any time, any of the obligations hereunder shall not be construed as a waiver of such obligations.

38. Buyer's Right to Rescission. Seller hereby acknowledges that Buyer reserves the right to cancel this Agreement and reject the making of this advance at any time, for any reason and without any penalty or obligation whatsoever before this Agreement has been signed by Buyer.

39. Other Sources of Capital. Seller has been advised and acknowledges that other sources of funding may have more favorable rates, payment schedules, terms and conditions, and that Buyer may make a substantial return from its investment by the terms of this Agreement. Seller has been further advised and instructed by Buyer that Seller should seek this funding from sources other than Buyer, including but not limited to banks, credit cards, family, friends, charitable and government organizations.

40. Right to Use Information for Marketing Purposes. Seller hereby grants Buyer the right to use Seller's first name in its marketing materials, including websites, brochures, letters, postcards, television and radio commercials.

DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT COMPLETELY OR IF IT CONTAINS ANY BLANK SPACE. BEFORE YOU SIGN THIS AGREEMENT YOU SHOULD OBTAIN THE ADVICE OF YOUR ATTORNEY. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS AGREEMENT.

Seller

James Spencer

Buyer

Max Volsky, President

On this 26 day of Feb, 2007, personally appeared before me James Spencer known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Notary Public: [signature] My Commission Expires: Jan 27 2008

KERI WYN HOLLAND
NY COMMISSION EXPIRES
JAN. 27, 2008
FULTON CO., GA.
NOTARY PUBLIC

Appendix I. IRREVOCABLE POWER OF ATTORNEY AND INSTRUCTIONS TO ATTORNEY

I, James Spencer, hereby irrevocably appoint Ronald N. Serota, and the firm Corporate Law Center, and any other attorney or law firm that maybe added or substituted, as my true and lawful attorney-in-fact, in its name, place and stead, with full power to receive, sign, endorse and deposit into their trust account any check, draft or other financial instrument received in payment of my Claim, as defined in the Agreement. This power of attorney shall remain in full force and be binding until LawMax Legal Finance is paid in full as set forth in the Agreement.

I further irrevocably instruct Ronald N. Serota and the firm Corporate Law Center, and any other attorney or law firm that maybe added or substituted, to place an irrevocable assignment, consensual lien and security interest against any and all of the Proceeds due to me from the Claim after payment of the attorney's fees and costs. I irrevocably instruct and direct Ronald N. Serota, the firm Corporate Law Center, or any other attorney or law firm that maybe added or substituted to protect and satisfy this assignment, consensual lien and security interest with respect to the LawMax Ownership Stake, which is set forth in Article 2 of the Agreement.

During the pendency of the Claim, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any other attorney or law firm that maybe added or substituted, to provide written updates to LawMax Legal Finance at their request regarding the status of the Claim and any development that may be material to the Claim.

Upon the settlement, resolution, or any distribution of Proceeds related to the Claim, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any attorney or law firm that may be added or substituted, to protect and satisfy this assignment, consensual lien and security interest in favor of LawMax Legal Finance before releasing any funds to me. If there is a dispute regarding this instrument or the Agreement, I irrevocably instruct and direct my attorney(s) not to release any funds to me until such dispute is resolved. I understand that LawMax Legal Finance has relied on this instrument to provide funding to me under the Agreement. In the event that Ronald N. Serota or the firm of Corporate Law Center ceases to represent me, I irrevocably instruct and direct Ronald N. Serota, the firm of Corporate Law Center, and any attorney or law firm that may be added or substituted to provide LawMax Legal Finance with information regarding the new attorney, applicable insurance, or any other information necessary for LawMax Legal Finance to protect their interest under the Agreement and to follow my irrevocable instructions that are contained in the Agreement and this instrument.

I fully read the Agreement and understand all the terms it contains. I also had the opportunity to ask questions regarding the Agreement and the transaction contained therein and all such questions have been answered. This instrument is a part of the Agreement and shall be decided by binding arbitration in the event a dispute arises relating hereto. This instrument may be executed in counterparts, each of which shall be deemed an original, and all of which shall together constitute one agreement.

Seller	Buyer
James Spencer	Max Volsky, President

On this 1st day of March, 2007, personally appeared before me James Spencer known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Notary Public My Commission Expires: My Commission Expires February 2, 2008

9. The undersigned agrees not to approve, sign or acknowledge any funding (investment) agreement, lien, promissory note or other instrument between Seller and another individual or entity with respect to the Claim without the express written consent of Buyer.

10. The undersigned hereby represents to Buyer that he shall take no steps to circumvent the rights and obligations set forth in this Agreement in any way whatsoever. Any circumvention in violation of the provisions hereof shall increase Seller's obligation to Buyer by FIFTY PERCENT (50 %) in accordance with Article 36 of this Agreement.

11. This Attorney Acknowledgment and Undertaking shall be governed by, and construed in accordance with, the internal laws (as opposed to conflict of laws provisions) of the state of New York. Subject to Article 12 of this Appendix II, Buyer and the undersigned hereby submit to the exclusive jurisdiction of the courts of the state of New York and the United States district court located in the borough of Manhattan in New York City, and each waives personal service of any and all process upon it and consents that all such service of process be made by registered mail directed to the address set forth in the first paragraph of this agreement and service so made shall be deemed to be completed upon receipt thereof. Buyer and the undersigned hereby waive any objection based on forum non conveniens, and any objection to venue of any action instituted hereunder and consents to the granting of such legal or equitable relief as is deemed appropriate by the court. Buyer and the undersigned each hereby waives any right to have a jury participate in resolving any dispute, sounding in contract, tort, or otherwise arising out of, connected with, related to, or in connection with this agreement. Instead, any dispute resolved in court will be resolved by a bench trial without a jury.

Addendum:

On this date, March 1, 2007, James Brian Spencer had his Social Security number verified through First Citizen Bank records as being: [redacted]

I, Gina B Edrada, am a notary employed by First Citizens Bank and Trust.

On this 1st day of March, 2007, personally appeared before me James Spencer know to me to be the person described in and who authorized me to verify the foregoing account listing information regarding James B. Spencer's Social Security number and acknowledged that he authorized the same as his free act and deed.

James B. Spencer: _____

Notary Public: _____

My Commission Expires: My Commission Expires February 2, 2009

12. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

NAME	AMOUNT	DATE
NOTES DTD 6/05	AT 2/07	
LIT FUNDING USA	$50,000 PRN/50,000 INT	
RESOLUTIONSETTLEMENT CORP	25,000 PRN/100,000 INT AT 2/07	

Corporate Law Center

BY:_____ Date:_____
Ronald N. Serota, Esq.

Law Office of John R. Rakowsky

BY: John R. Rakowsky Date: 3/5/07
John R. Rakowsky, Esq.

12. Any controversy or claim arising out of or relating to this Attorney Acknowledgement, including without limitation the interpretation, validity, enforceability or breach thereof, shall be settled by final, binding arbitration administered by the American Arbitration Association (hereinafter referred to as "AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a practicing attorney or a retired judge licensed to practice in the State of New York. The parties also agree that the AAA Optional Rules for Emergency Measures of Protection shall apply to the proceedings. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The award shall be in writing, shall be signed by the arbitrator, and shall include a statement regarding the reasons for the disposition of any claim.

13. To the best of the undersigned's information, knowledge and belief, Seller is of sound mind and memory at the time of reading and signing this Agreement, and is mentally and psychologically capable of fully understanding the nature, meaning and terms of this Agreement.

14. The undersigned shall not negotiate Buyer's lien with anyone other than Buyer. All reductions of Buyer's lien are void unless they are expressly authorized in writing by Buyer.

15. The undersigned hereby acknowledges that Seller unconditionally and irrevocably granted, assigned, transferred and conveyed the LawMax Ownership Stake set forth in Article 2 of the Agreement to Buyer. Said LawMax Ownership Stake is the exclusive property of Buyer, shall be held in trust by the undersigned for the benefit of Buyer, and shall not be subject to any liens, assignments, transfers, conveyances, deductions or setoffs of any kind whatsoever. The undersigned hereby further acknowledges that he has not been given any notice of liens, assignments, transfers or conveyances of any portion of the Proceeds of the Claim except as set forth herein.

Please list all known liens below. If none, so state. This section must be completed by the client's attorney only.

NAME	AMOUNT	DATE
NOTES DTD 6/05		1st 2/07
Lit Funding USA	50,000 PRN 150,000 INT	
Resolution Settlement Corp	25,000 PRN 100,000 INT	1st 2/07

Corporate ~~Law~~ Center

BY: _____ Date: 3/2/07

Ronald N. Serota, Esq.

John R. Rakowsky

LAW OFFICES OF JOHN R. RAKOWSKY

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	
	)	
John R. Rakowsky	)	
	)	Case No. 2008-CP-40-6656
Plaintiff,	)	
vs.	)	
	)	**CERTIFICATE OF SERVICE**
Adrian L. Falgione, James Spencer, Doris Holt, Rodney Keith Lail, Irene Santacroce, Marguerite Stephens and Ricky Stephens, and Horry County, S.C.,	)	
	)	
Defendants.	)	

I, Beth Cogan, an employee with the Law Offices of Ballard & Watson do hereby certify that I served a copy of the, **Affidavit of Mara Ballard and Affidavit of John Rakowsky,** in the above-captioned case on the following individuals by United States Mail, with sufficient first-class postage affixed addressed as follows:

The Honorable Doyet A. Early, III
Post Office Box 90
Bamberg, South Carolina 29003

James Spencer
7001 Saint Andrews Road
Box 183
Columbia, South Carolina 29212

Benjamin Bruner
Bruner, Powell, Wall & Mullins, LLC
Post Office Box 61110
Columbia, South Carolina 29260

Andrew Lindemann
Davidson & Lindemann, P.Al
Post Office Box 8568
Columbia, South Carolina 29202

Michael Sribnick
Via Courier pick-up
226 State Street
West Columbia, South Carolina 29169

Beth Cogan

Beth Cogan, Paralegal

May 23, 2014
West Columbia, South Carolina

On Fri, Sep 12, 2014 at 1:16 PM, Early, Doyet A. Law Clerk (Aliecia Bores) <dearlylc@sccourts.org> wrote:
All,

Judge Early has reviewed all memos and exhibits submitted to him addressing the Interpleader and related relief. He now requests each party, if you desire to submit proposed orders on or before October 1, 2014, providing a copy to each party. Please let me know if you have any questions. Thank you.

Best,

Aliecia M. Bores
Law Clerk to the Honorable D.A. Early, III
The Circuit Court of the 2nd Judicial Circuit
PO Box 90
Bamberg, SC 29003
Telephone: 803.245.4004
Fax: 803.245.2983
dearlylc@sccourts.org<mailto:dearlylc@sccourts.org>

[redacted]

From: Early, Doyet A. Law Clerk (Aliecia Bores) [mailto:dearlylc@sccourts.org]
Sent: Saturday, October 04, 2014 11:42 AM
To: Michael Sribnick; Desa Ballard; Ben Bruner; Andrew Lindemann; James B. Spencer
Cc: Early, Doyet A.
Subject: RE: Orders

Dear Mr. Sribnick,

The proposed order should address whether or not the interpleader should be granted. Judge Early has informed me that he will extend the due date to October 26th. Please let me know if you have any questions.

Best,

Aliecia Bores
Law Clerk to the Honorable Doyet A. Early, III

From: Michael Sribnick [mailto:michael.g.sribnickmdjdllc@gmail.com]
Sent: Friday, October 03, 2014 8:00 PM
To: Early, Doyet A. Law Clerk (Aliecia Bores); Desa Ballard; Ben Bruner; Andrew Lindemann; James B. Spencer
Subject: Orders

Dear Your Honor,
Despite sever attempts, I have still not received answers to my questions about the proposed orders due Monday Oct. 6, 2014. This effectively precludes me from being able to propose orders whose subject matter I do not understand. Will you please extend the deadline until my questions re: these proposed orders are answered. I await your response.
Regards,
Michael G. Sribnick, M.D., J.D.
--
Michael G. Sribnick M.D., J.D., LLC
DISCLAIMER:
The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential medical and/or legally privileged material. Any review, retransmission, dissemination or other use of this information, directly or indirectly, by persons or entities other than the intended recipient is prohibited. If you are not the intended recipient please contact the sender and delete the material from all computers in which it resides. Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late, incomplete, or contain viruses. Therefore, I do not accept responsibility for any errors or omissions that are present in this message, or any attachments, that have arisen as a result of e-mail transmission. If

verification is required, please request a hard-copy version. Any views or opinions represented are solely those of the author.

CONFIDENTIALITY NOTICE ~~~ This message is intended only for the addressee and may contain information that is confidential. If you are not the intended recipient, do not read, copy, retain, or disseminate this message or any attachment. If you have received this message in error, please contact the sender immediately and delete all copies of the message and any attachments.

EXHIBIT "F"

James B. Spencer

From:	James B. Spencer [jamesbspencer@sc.rr.com]
Sent:	Tuesday, October 21, 2014 3:57 PM
To:	'Early, Doyet A. Law Clerk (Aliecia Bores)'
Cc:	'Andrew Lindemann'; 'Desa Ballard'; 'Ben Bruner'; 'Michael Sribnick'
Subject:	Attached Appeal Currently Before the 4th Circuit Court of Appeals...regarding Your Case No. 2008-CP-40-6656
Attachments:	Filed Intial Brief Doc 30.pdf
Importance:	High
Sensitivity:	Personal

Tracking:	**Recipient**	**Read**
	'Early, Doyet A. Law Clerk (Aliecia Bores)'	
	'Andrew Lindemann'	Read: 10/21/2014 4:01 PM
	'Desa Ballard'	
	'Ben Bruner'	
	'Michael Sribnick'	
	Mara Ballard	Read: 10/21/2014 4:25 PM

Dear Your Honor,

On June 23, 2014, you issued an Order for Partial Relief. In this Order you stated the following as the last sentence in the Order:

"The undersigned retains jurisdiction of the remaining portion of this action which seeks an interpleader as to the settlement funds from the Southern Holdings case once the federal court action is final."

QUESTIONS

1. It is obvious from the attached document filed with the 4th Circuit Court of Appeals this case is far from over in the federal courts. Yet you have apparently asked for draft Orders germane to the disputed litigation funds while the federal court action has not been finalized? Are you planning to comply with your own Order issued on June 23, 2014 or are you going to move forward disregarding the ongoing action in the 4th Circuit Court of Appeals?

2. Are you going to allow discovery regarding the existence of documents which the Plaintiff has maintained are in existence, an executed informed consent agreement, or not?

3. I have filed a number of previous questions with the Court as your honor has requested, yet in weeks I have not received one answer, will Your Honor answer those questions or not?

4. Will Your Honor at least answer the first two questions listed above?

Respectfully submitted,

James B. Spencer, *Pro Se*

Ballard & Watson
Attorneys at Law
PERSISTENT. UNWAVERING.

Desa Ballard
Harvey M. Watson III

Post Office Box 6338 | West Columbia, SC 29171
226 State Street | West Columbia, SC 29169
ph 803.796.9299 | fx 803.796.1066 | desaballard.com

October 23, 2014

Via U.S. Mail and Email
The Honorable Doyet A. Early III
Post Office Box 90
Bamburg, South Carolina 29003

Re: *John Rakowsky vs. Adriann Falgione, et al.*
Case No. 2008-CP-40-6656

Dear Judge Early:

Per your request of September 12, 2014, with amendments to require proposed orders on all remaining matters by October 26, 2014, I am enclosing with the emailed copy of this letter a proposed order in Word format, which addresses the outstanding issues which remain in this case. The hard copy of this letter contains a print out of the proposed order. Please note that the email is copied to everyone, other than Mr. Spencer, and the US mail is copied to everyone whose name is shown at the conclusion of the letter, including Mr. Spencer.

I am aware you have received communication from Mr. Spencer and Mr. Stibnick asserting that your hands are tied by virtue of their appeals to the South Carolina Court of Appeals and to the Fourth Circuit Court of Appeals, but there is clearly no stay in place. If Your Honor wishes to have a proposed order addressing the stay allegation, I will be happy to submit one.

I believe this proposed order addresses all outstanding issues. If I can be of any assistance to you in concluding this matter, please let me know. We appreciate the opportunity for you to consider this proposal. I am enclosing a self-address stamped envelope in the event you want me to arrange for filing and service of the final order.

With warm personal regards, I am

Sincerely yours,

Desa Ballard
desab@desaballard.com

Enclosure

cc: via U.S. Mail and Email
Michael Sribnick, Esquire
Andrew Lindemann, Esquire
Benjamin Bruner, Esquire
Via U.S. Mail Only
James Spencer, Pro Se
Marguerite Stephens, Pro Se
Ricky Stephens, Pro Se
Nicholas Williamson

From: Michael Sribnick [mailto:michael.g.sribnickmdjdllc@gmail.com]
Sent: Friday, October 24, 2014 11:13 AM
To: cmanninglc@sccourts.org; Ben Bruner; Early, Doyet A. Law Clerk (Cassie M. Weathersbee); Desa Ballard; Andrew Lindemann; James B. Spencer
Subject: Recently Proposed Order by Desa Ballard, Esq.

Ms. Ballard, Esq. and Honorable Judge Early:

The proposed order by Ms. Ballard is nothing but an attempt to undermine proceedings currently being heard in other tribunals. Your Honor has not even heard of much of the distorted information presented by Ms. Ballard. Is Your Honor seriously going to intervene in the 4th Circuit case?

Is Your Honor seriously going to ignore his own Order being appealed in the South Carolina Court of Appeals which specifically states that all remaining matters are tabled until the federal proceedings have run their due course, Page 12, Paragraph E of Your Honor's and Ms. Ballard's admitted ex-parte Order executed on June 23, 2014?

Ms. Ballard's proposed Order is nothing but personal attacks even on the Pro Se Defendants deceased mother as well as him.

Is Your Honor seriously going to ignore the engagement contracts terms with his former clients which clearly show that the Plaintiff is due nothing as he did not cover expenses, which unless that hurdle is cleared, states there is no compensation further. Is Your Honor going to ignore the fact the Plaintiff resigned from the case entitling him to nothing, much less the 40% claimed by Plaintiff if the case went to trial which it did not?

I am copying Administrative Judge Manning and asking him to intervene in this matter as clearly this is out of hand when Ms. Ballard starts bringing in cases from other courts and then trying to charge Defendants for a suit brought by the Plaintiff because he refuses to produce the SCACR 407; 1.8(g) required informed consent agreement which would have precluded his filing this litigation in the first place.

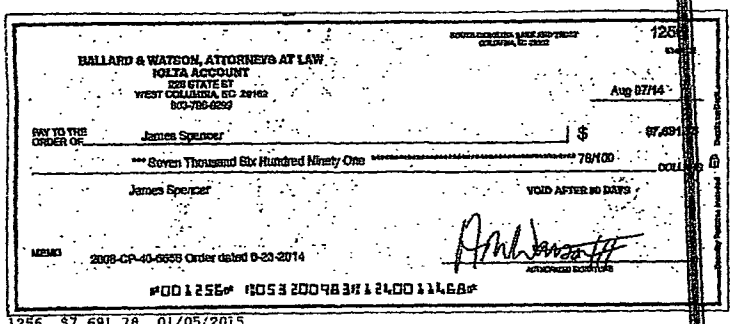
I need answers to questions Your Honor continues to ignore. Finally, are you seriously going to sign any Order, much less a dispositive Order, while this case is under appeal and while the federal court litigation related to the basis of this matter is underway? You have simply refused to answer questions I have been asking for months. Attached is the Documentation of the Appeal to the 4th Circuit by Mr. Spencer, as the undersigned's brief is not due until early December, which you also have been made aware of multiple times.
I became a lawyer to pursue justice for all of my clients, including my indigent and disabled clients. As Your Honor knows, I have taken this case pro bono because I believe in this cause and because of my belief in the judicial process. I am formally requesting through this Email that Judge Manning intervene, as he established in the Bobby Harrell matter that each body of government is to police itself before involvement of the Attorney General.

Respectfully submitted,
Michael G. Sribnick, M.D., J.D. Attorney at Law

--

Michael G. Sribnick M.D., J.D., LLC

DISCLAIMER:
The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential medical and/or legally privileged material. Any review, retransmission, dissemination or other use of this information, directly or indirectly, by persons or entities other than the intended recipient is prohibited. If you are not the intended recipient please contact the sender and delete the material from all computers in which it resides. Internet communications cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late, incomplete, or contain viruses. Therefore, I do not accept responsibility for any errors or omissions that are present in this message, or any attachments, that have arisen as a result of e-mail transmission. If verification is required, please request a hard-copy version. Any views or opinions represented are solely those of the author.



BALLARD & WATSON, ATTORNEYS AT LAW
IOLTA ACCOUNT
1220 STATE ST
WEST COLUMBIA, SC 29162
803-799-0299

1256

Aug 07/14

PAY TO THE ORDER OF James Spencer $ 7,691.78

*** Seven Thousand Six Hundred Ninety One *** 78/100 DOLLARS

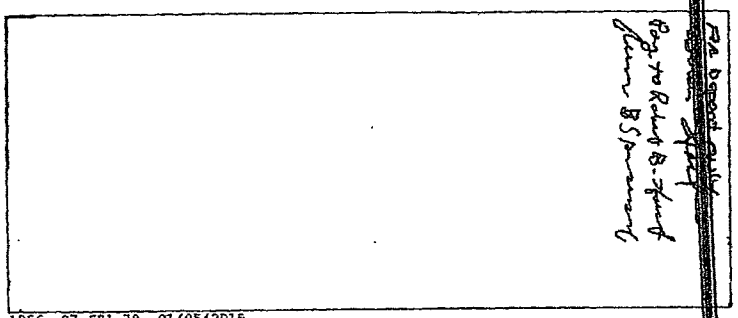
James Spencer VOID AFTER 90 DAYS

MEMO 2008-CP-40-5555 Order dated 9-23-2014

AUTHORIZED SIGNATURE

⑈001256⑈ ⑆053200983⑆124001146⑈

1256 $7,691.78 01/05/2015



1256 $7,691.78 01/05/2015

DESA BALLARD PA 1240011468 Page 5

State of South Carolina — Court of Common Pleas

County of Richland — 2008-CP-40-06656

John R. Rakowsky :
:
-VS- : TRANSCRIPT OF RECORD
:
The Law Offices of :
Adrian Falgione, LLC, :
James Spencer, the Estate of :
Doris Holt, Rodney Keith Lail, :
Irene Santacroce, Marguerite :
Stephens and Ricky Stephens, :
Michael Hartness, Horry :
County, SC, Eugene G. Chewning :
and Glenn Harrison :

August 20, 2014
Columbia, South Carolina

B E F O R E:

The Honorable Doyet A. Early, Judge.

A P P E A R A N C E S:

Desa Ballard, Esquire
Attorney for the Plaintiff

Michael Sribnick, Esquire
Ben Bruner, Esquire
Andrew Lindemann, Esquire
James Spencer, Esquire
Attorneys for the Defendants

Daphne D. Helms
Circuit Court Reporter

E X H I B I T S

No.	Description	ID.	EV.
D-1	documents submitted by James Spencer		27

The Court: Good morning. Thank you. Please be seated. Good morning. We have two motions this morning. Mr. Sribnick, Mr. Spencer -- Mr. Sribnick, be glad to hear from you. We have allotted ten minutes for each argument, ten minutes in response, and ten minutes -- or five minutes for reply.

Mr. Sribnick: Forgive me for reading, Your Honor. I'm going to try to get this as fast---

Ms. Ballard: Mr. Bruner is not here yet. He is en route.

The Court: Well, the hearing started at 11.

Ms. Ballard: I understand. I just wanted to make sure that was clear for the record.

The Court: Mr. Sribnick?

Mr. Sribnick: Defendants Irene Santa Croce, Rodney Lail, and the Estate of Doris Holt requested this emergency order compelling the production of the legally-required documents of Informed Consent Agreement as required by South Carolina appellate rule of court 407 1.8(g) by -- signed by the seven diverse plaintiffs as subpoenaed.

They also wish to compel the production of the requested forms from Mara T. Ballard on which she based, without proper under Rule 26 of the South Carolina Rules of Civil Procedure, her expert opinion that she presented to the Court which was used as a basis for the order developed through the ex parte

communications, and we also wish compelling the videotaped depositions of John Rakowsky and Mara Ballard for reasons which I will explain, as they do not violate South Carolina Rule of Civil Procedure 30(h).

The plaintiff and the plaintiff's counsel wrongfully submitted an expert witness report to the Court 5/23/14, not complying with Rule 26 of the South Carolina Rules of Civil Procedure. Plaintiff's counsel then wrongfully carried on ex parte communications regarding an ex parte draft order granting partial relief, purportedly based on opinions by Ms. Mara Ballard which was inconsistent with the sum that I have originally read to the Court on the court record that I totaled from the three litigation funding companies which is at the very least $110,000, not the approximately $69,000 as the starting balance claimed by Ms. Mara T. Ballard.

This is inconsistent. This order was submitted to the Court 6/27/14 and is inconsistent with the order Your Honor stated he sent on 6/17/14. In this order Ms. Ballard clearly blackmails the defendants into accepting this $7,600 by giving up their rights. Defendant served subpoenas on Mr. Falgione - I'm sorry, not Mr. Falgione - Mr. Rakowsky and Mara Ballard on 7/7/14 in -- for videotaped depositions and documents and based on a standing order from Judge Barber.

On 7/9/14 Desa Ballard threatened defendants and counsel with sanctions. Defendants went ahead and offered, through

me, alternative dates of deposition to try to accommodate everyone. On 7/10 Ms. Ballard responded by stating she would not produce the documents that the -- from the plaintiff regarding both -- regarding both the litigation funds and the legally-required Informed Consent Agreement. Furthermore, she would not allow the plaintiff or defendant to attend the videotaped deposition. She refused to produce any of the documents that I requested.

There is a longstanding pending motion before the Court against her law firm for ex parte communications with Judge Seals in the past. In this instance, Ms. Ballard not only submitted an expert witness report without complying with Rule 26, which she subsequently submitted a proposed order for partial relief based on her sister's expert witness report, inadvertently signed by Your Honor.

Defendants move to strike the expert witness report wrongfully submitted to the Court by Mara Ballard. We also move to submit the order for partial relief which you've already done, subsequently withdrawn 7/10, and wish to comment that 45 days are not up. We again state that this order for partial relief blackmails my clients into signing away their rights to accept the litigation funds of $7,691 that are undisputed as to whom they belong - they belong to Mr. Spencer - but are disputed as to amount.

Discovery asked for concerns the identification and

disbursement of litigation funds including the disputed amount, which I've already mentioned, because I calculated it at $110,000, and the right to depose an expert witness, a right guaranteed by Rule 26 of the South Carolina Rules of Civil Procedure. In addition, we want again to see the 407 1.8(g) signed settlement agreement.

Defendants are not giving up their right to a jury trial, particularly on the counterclaims, their rights to the counterclaims for breach of fiduciary duty and breach of contract by Mr. Rakowsky, their right to sanctions by taking these depositions and obtaining these documents on litigation funds and disbursement claims against the litigation funds as well as the Implied Consent Agreement of 407 1.8(g). The Court, by granting this emergency omnibus motion, in no way we hope requires the defendants to give up their rights to counterclaims and sanctions before a jury and to carry out discovery as requested 8/15/14.

The appellate court that -- the appellate court has ruled that a party to a lawsuit who produces an expert is to present both the materials upon which the expert presented and also the availability of the individual who prepared the report to be presented for deposition by the adverse party, and I cite Allegro, Incorporated v. Scully, and that's the South Carolina Court of Appeals 2012.

Furthermore, the defendants are not giving up their

rights to appeal the fact that no depositions, counterclaims, discovery, and immediate release of the undisputed litigation funds belong to Mr. Spencer as well -- and ordered by Judge Barber and agreed to on the court record by the plaintiffs 5/7/12.

In Tisdale versus American Life Insurance, it is held that one judge of the same court may not rule -- overrule another, with all due respect to His Honor. In response to oral orders that are not contradicted by written ones, I cite Hilton Head Resort Four Seasons Circular Horizontal Property Regime, Council of Co-Owners versus Resort Investment Corporation.

In regards to ex parte communications of any type, I cite Burgess v. Stern, a Supreme Court case from -- South Carolina Supreme Court case from 1993.

The Court: You're at two minutes.

Mr. Sribnick: Okay. Mr. Rakowsky asked for equitable indemnification, but what he ignores is the fact that had he followed South Carolina rule -- appellate rule of court 407 1.8(g), 1.15, 1.16 and 417, there would be no need for this interpleader pleading. Furthermore, he ignores the equitable maxims that one who seeks equity must also do equity. He did not, in the defendants' opinion, do equity to them in the entire Southern Holdings case, and I cite Provident Life and Accident Insurance Company versus Driver. He, therefore, has

unclean hands in the same controversy or transaction, and I cite First Union National Bank versus Soet (phonetic).

In summation, the defendants pray that Your Honor will withdraw the order signed by Your Honor 7/9/14 as it is based in part on the ex parte order of Ms. Ballard, conduct discovery as requested, release the 7,691 of undisputed litigation funds to Spencer without preconditions, agree to sanctions hearing, permit discovery to determine damage done for eight years by the plaintiff due to his lack of cooperation with discovery, allow for a jury trial and deny him equitable indemnification. Thank you, Your Honor.

The Court: Thank you. That was amazing. Ten minutes and one second. Thank you very much.

Mr. Sribnick: Thank you, sir.

The Court: Mr. Spencer, I'll be glad to hear from you.

Mr. Spencer: Yes, sir.

The Court: I will let you sit if you would like.

Mr. Spencer: Thank you, sir. First of all, the Informed Consent Agreement is the key to this entire interpleader action. The South Carolina Supreme Court, local rules the (unintelligible words spoken) in the First Circuit of the U.S. -- Fourth Circuit and the United States Supreme Court are all quite clear on this fact, and the law is well settled and established.

The plaintiff's counsel, Ms. Desa Ballard, Mr.

Falgione's counsel, Mr. Bruner, and Horry County's - Mr. Lindemann, all refuse to produce this key document, yet if the executed document was produced, this case would have never been started over eight years ago. If they have the document, produce the document. That's very simple. Otherwise, why continue this case for eight years?

There is no rationale, no legal reason not to produce this document, as this document can conserve the Court's time and all the parties' time. Yet for eight years all the defendants have heard are the song and dance of the lyrics: To hell with the law; it is what it is. Enough is enough.

If there was a settlement, this document must exist. Hold it up and produce it. Disclose the general -- disclose the general rule to find the truth in this court. In the alternative, if there is no document, this entire proceeding has consisted of one fraud upon the court after another. And, Your Honor, this Court has a duty to let the truth be heard.

In regard to the production of Ms. Ballard's expert witness report, the South Carolina Supreme Court is quite clear: It is produced in court; it is open to discovery and cross-examination. That report was produced in court. This also is not open to argument. Rulings cannot be made from such evidence without defense ability to question its foundation. To base decisions on statements without allowing

a proper foundation violates the South Carolina Supreme Court, Rule 26 of the South Carolina Rules of Civil Procedure, the standard set at the Nuremberg (phonetic) trial and even the Hague Convention. The representation agreement of Rakowsky and Falgione are based on expenses and as -- their remuneration is tied to this document that now has been presented before. We should have access to these -- the basis of this document so we can verify it, both for litigation funds and for settlement funds.

If the records were maintained, there would be no question of who the funds would go to, both litigation and settlement. We need to see the records. They introduced them; the law needs to be filed.

Further, Ms. Ballard has inserted names of defendants not properly before the Court such as Nick Williamson, Resolution Settlement Corporation, and individuals such as Marguerite Stephens and Ricky Stephens, long ago dismissed out by Judge Barber. She must amend the complaint if she's going to change these people as defendants in this action.

Okay. She knows; she's done it twice before. We agreed to these sections, and I'll show you exactly what we're talking about, if we may approach the bench? Yeah, the two latest complaints and the interpleader documents, to change the interpleader. The interpleader changes. Where is the interpleader?

(A gentleman hands a document up to the Court on Mr. Spencer's behalf.)

The Court: Madam Court Reporter, we'll mark this after we're finished so we won't eat into any more time. You may proceed.

Mr. Spencer: Yes, sir. If you -- if you notice, one is the first -- the complaint for the interpleader. There's no mention of Nick Williamson; there's no mention of The Center for Legal Reform. Okay? On her second interpleader complaint which I presented to you, again no mention of Nick Williamson, no mention of The Center for Legal Reform.

So what Ms. Ballard did, in order to make these records work, she didn't bother to take and change her -- amend her complaint. She just went ahead and inserted them. I mean, you can't sit there and just make up the law and not obey the complaint and insert names that are not related to this complaint. She denied R.S.C. She denied Nick Williamson, but because the numbers didn't work in Ms. Ballard's report, she now includes them. It's right here. How do you do that? I don't know. We can't amend the complaint; we can't even get it in counterclaims.

It -- it has gotten to the point where she does what she wants to do. Okay? There are no rules and there are no -- that she's following. And we really -- we've tried to issue sanctions to bring her up under control before. All's

(phonetic) we want is very simple. We want that motion that has to be in existence if there's a settlement. Under all the rules of this state and federal courts, 407, we want to depose and to have that expert's report that is the basis of that ruling that she submitted to you without submitting it to us. We have a right to that. That's all I have to say.

The Court: Thank you. Who wants to go first? Mr. Lindemann or Ms. Ballard?

Ms. Ballard: I'll be happy to, Your Honor. Your Honor, as you know, I represent John Rakowsky. This matter was brought as an interpleader action involving two sums of money. One was a $55,000 in settlement proceeds that were paid as a result of a settlement that was entered into with Southern Holdings, a litigation in federal court. That federal court, through Bryan Harwell, has confirmed that that settlement existed. The question of whether that settlement existed is not before this Court. Any discovery about what documents evidence the settlement is beyond the scope of this proceeding.

Your Honor recognized that there are two separate pots of money that needed to be addressed by this Court, one with the remaining settlement proceeds that initially were in the $9800 range. There was an additional expert expense that was paid for about $2,000.

The Court: That's not the settlement proceeds. That's

the expense proceeds.

Ms. Ballard: I'm sorry. Expense proceeds. Yes, sir. We paid an additional litigation expense that surfaced after the interpleader action was brought. So the remaining funds in the advanced litigation funds was $7,900 and change. Your Honor asked -- although it was not within the scope of these pleadings, Your Honor asked if we would provide an accounting of those funds. I think the Court did that out of an abundance of caution to provide the defendants with any information they might need to have about where the funds came from.

So we provided an accounting provided by Mara Ballard, who is not my sister -- she is not related to me. I don't know where they get that idea. She's a forensic accountant, certified fraud examiner, and is employed by my office. Your Honor asked for affidavits, spelling out the accounting of the funds. We've provided that. We served a copy of that on them. Your Honor signed an order indicating that those funds could be released to Mr. Rakowsky. There have been no motions that I've been served with---

The Court: Released to Mr. Spencer.

Ms. Ballard: I'm sorry. Mr. Spencer. There have been no motions of which I'm aware, no motions under Rule 52, no motions under Rule 59, no motions under Rule 60 that sought to set aside that order. That order remained in effect, and

pursuant to the terms of that order, we distributed funds to Mr. Spencer by check issued a week or a week or so ago, whatever it was, because that order is final. That order has not been appealed. There's been no motion to set aside that order.

Secondly, Your Honor, you requested that Mr. Bruner send you a scheduling order which indicated there would be no discovery with reference to the remaining $55,000. Immediately following that direction from Your Honor requesting that proposed order from Mr. Bruner, Mr. Sribnick noticed depositions of Mr. Rakowsky and Ms. Ballard, and I told him that I was not going to produce them because discovery was not allowed in this action.

What we've got is an attempt in this litigation to re-litigate issues that have been litigated both in the federal court - was there a settlement - and in this court in a separate action that Mr. Spencer filed for legal malpractice against Mr. Falgione and Mr. Rakowsky. He lost that case. Any attempt he had to allege malpractice or misfeasance or any misconduct on their part, he had the opportunity to litigate that case and he lost that case.

So he tried by counterclaims in this case to do the same thing. Judge Seals struck those counterclaims; that order was not appealed. So the counterclaims don't exist, and here we are again all these years later, after we filed this

action in 2008, hearing about a request for a jury trial for counterclaims that don't exist.

Your Honor, this is really quite simple. Your Honor issued an order requiring the distribution of the remaining litigation proceeds. We complied with that order because it's a final order. You issued a scheduling order with which we complied by submitting our memorandum in time, and nobody has responded to that. Your Honor's deadlines have run in that.

The question of whether e-mail can constitute an order intrigued me, and I did some research on that and I'd like to hand up to Your Honor the Uniform Electric Transactions Act, South Carolina Code 26-610, which provides in Section 80 that documents cannot be served by e-mail without the express consent of the parties. An e-mail, therefore, between a judge and counsel is not a legally-operative document.

Your Honor's e-mail saying that you would withdraw the motion or the order would have required someone to file a motion asking you to do that. There was no motion filed pursuant to Rule 59. There was no motion filed pursuant to Rule 60. I'm not sure exactly what this motion is except a temper tantrum because they haven't gotten their way so far. Your Honor, I have not been served with this motion either by Mr. Spencer or by Mr. Sribnick. I attached---

The Court: Which motion?

Ms. Ballard: The omnibus motions. I've never been served with either one of them. I got a copy from Mr. Bruner of Mr. Spencer's motion, and Mr. Sribnick e-mailed me his motion and followed -- I've submitted Your Honor the e-mail that he sent saying, "If you want a hard copy, please let me know." Well, I don't think Rule 5 provides for that; I could be wrong. But because I was intrigued by the legal effect of the e-mails, I researched it and I think you'll find that Title 26, Chapter 6, puts some pretty strict limitations on what an e-mail is or isn't, and it certainly is not a court order.

Your Honor, whatever this motion is here today is unnecessary, unwarranted. The orders that Your Honor has issued are -- remain in effect, and it's time, we think, for you to rule on the interpleader. Thank you, Your Honor. Mr. Lindemann had a few things he wanted to follow up with.

The Court: Well, you saved four minutes. How much time do you need?

Mr. Lindemann: I need less than a minute, Your Honor, and I don't know -- I don't want to take Mr. Bruner's time if he is... Just real quickly, Your Honor, I represent Horry County. That's the party that has been sued as a defendant in this interpleader action. As Your Honor knows, I represented a number of parties and still do in the Southern Holdings case in federal court.

The point I would like to make to this is to reiterate on behalf of Horry County is, number one, the determination as to whether the settlement is enforceable is not an issue that's before this state court. It's an issue that was before the federal court; Judge Bryan Harwell has ruled numerous times already. There's subsequently another appeal from this latest Rule 60(d) motion that Judge Harwell ruled in favor of all of the defendants in the Southern Holdings case, again upholding the settlement.

That is not an issue, I would submit, that can be re-litigated as part of this interpleader action as much as the other defendants are trying to do so and that Mr. Spencer -- I did want to clarify---

The Court: Your position is the settlement is gone -- long gone.

Mr. Lindemann: That's correct.

The Court: All we've got left are the proceeds of the litigation---

Mr. Lindemann: And the only reason I'm in this case, Your Honor, is through the Insurance Reserve Fund $30,000 was paid. We have not received the release. All I want is when those funds are disbursed to the appropriate parties, as determined by this Court, that we get some sort of release or at least a ruling from the Court that there is finality to it.

Mr. Spencer made the accusation that I haven't produced certain documents. Again, there's been absolutely no production request made to myself nor I don't know how, as an adverse party to them in the federal court action, I'd have any records between Mr. Rakowsky and his clients. So I can -- I can tell the Court I don't have any such records nor I don't understand how I would have access to such records, but I did want to clarify since the representation was made to the Court that I haven't produced something to Mr. Spencer. There hasn't been a formal request to me nor have I refused to produce anything that I have in my possession.

And then lastly, Your Honor, just going back to my first point: To the extent that they're trying to relitigate the enforceability of the settlement before this Court, I would point out that the appropriate parties aren't even before this Court. The sole party that I represent here is Horry County. Horry County actually technically was not even a party in the Southern Holdings litigation. They were six individual police officers. There was the Horry County Police Department and the Horry County Sheriff's Department that were the parties in that litigation.

So I don't even believe that they could seek that type of relief as part of this interpleader action when particularly those six police officers, both sheriff and Horry County police officers, are not even parties to this

litigation. Thank you, Your Honor.

The Court: Mr. Bruner, anything you want to add?

Mr. Bruner: Your Honor, I will be brief. I'd like -- I owe you an apology.

The Court: Just go ahead with your argument.

Mr. Bruner: Your Honor, I put most of my arguments in a return that I served last week. I think, just to summarize those, the claims and the motions with respect to the Law Offices of Mr. Adrian Falgione, the claims of discovery I think are unwarranted. There's no need for discovery here. I think the issues could be quickly decided. Other than that, I would echo what counsel for my co-defendants or my -- the other parties, Mr. Lindemann and Ms. Ballard, have said.

The Court: Thank you. Mr. Sribnick, five minutes in reply?

Mr. Sribnick: First of all, Your Honor, I absolutely did e-mail -- did mail Mr. Bruner - excuse me - Mr. Bruner, Mr. Lindemann, and Ms. Ballard by U.S. mail. Second of all---

The Court: They all had notice of it. That's no big deal.

Mr. Sribnick: I have done that; I did that. I'm a one-man law office. I know who -- who mails things. Second of all, I have done a lot of research into this matter, and I can find no case and I would ask them to produce a case, the

other side to produce a case, where a judge can impose a settlement order without a signed consent agreement. Under South Carolina rule of court -- appellate rule of court 407 1.8(g), it is -- it is written---

The Court: Hasn't that been litigated ad nauseam in the federal courts?

Mr. Sribnick: Sir, it is now currently before the Fourth Circuit Court of Appeals.

The Court: Well, did I not hold everything in abeyance so you could have a ruling in the federal courts concerning that settlement agreement, and the latest ruling which confirmed all the other rulings by Judge Harwell was that - even though you don't like the words - but enough is enough and it's over? I assume y'all have appealed that but---

Mr. Sribnick: We have appealed that, Your Honor.

The Court: Go ahead.

Mr. Sribnick: I want -- if they can produce any case law that shows that a judge can impose a settlement agreement or---

The Court: Did you argue that in the federal---

Mr. Sribnick: Or they can -- or they -- excuse me. I interrupted you.

The Court: That's all right. Did they argue that in the federal court?

Mr. Sribnick: I'm sorry?

The Court: Was that argued in the federal court?

Mr. Sribnick: No. The plaintiff---

The Court: Well, why didn't you argue it in the federal court?

Mr. Sribnick: I'm ready to address that. I have affidavits from the clients that Mr. Rakowsky, despite what Ms. Ballard says that they were -- they didn't speak up when the judge -- when Judge Harwell announced the settlement -- that they were told by Mr. Rakowsky - we have affidavits to this effect - that they were told by Mr. Rakowsky that if they spoke up in court, they would be held in contempt of court.

They were never polled. They were never allowed due process. Their Fifth and Fourteenth Amendments have been violated. This is why this case -- Fourth and Fifteenth Amendments have been violated as far as an illegal taking and as far as due process. They've been denied due process and property rights under the Fourteenth and Fifth Amendment.

The Court: And I assume those are grounds for your appeal now?

Mr. Sribnick: They are, sir.

The Court: In the Fourth Circuit?

Mr. Sribnick: Yes, sir.

The Court: Okay. Anything else you've got? I'll give you more time if you need it.

Mr. Sribnick: Nothing. Nothing else that -- but I did -- but that is absolutely untrue that I didn't mail them a copy. Furthermore, I have -- it was delivered to their office.

The Court: Thank you. Mr. Spencer, five minutes.

Mr. Spencer: Yes, sir.

The Court: You may be seated. You may remain seated.

Mr. Spencer: Thank you, sir. First of all, may I approach the Court and...

(A gentleman hands up documents to the Court on Mr. Spencer's behalf.)

The Court: Thank you. This is an affidavit? Is this being filed this morning or has it been filed?

Mr. Spencer: It has not been filed, sir. It's been filed this morning. It's in response to what we received from Ms. Ballard yesterday where she claimed she was not served. That is not correct. She has presented it today in court, so I'm rebutting this testimony.

The Court: Well, she -- whether she was served or not, she has notice of the hearing and she's here, so that's not a real big matter. Go ahead.

Mr. Spencer: I'm just pointing that out.

The Court: I understand.

Mr. Spencer: And the argument that -- you know, this has been a continual -- a continual process on the other side

by Mr. Bruner and Ms. Ballard concerning, yes -- may I approach the bench? Concerning this case.

(A gentleman passes up documents to the Court for Mr. Spencer.)

Mr. Spencer: And what is being handed to Your Honor right now is where Mr. Bruner, believe it or not, claims that he served me, hand delivered in a post office box. He then retracted that when it was challenged and claimed that he did -- he did service -- he sent it down to the mail center and they accepted it. When he was challenged on that, because the law prohibits that, he then claimed unbelievably that the reason he lied in his sworn affidavit to the Court was to show a problem with the mail deliveries. Well -- hand that to the Court. There is no problem with the mail deliveries. Mr. -- he was trying to say we were untimely. This is -- this continues to go on, and we're trying to handle things. We have a problem dealing with the provericatiions (phonetic).

Now, as far as arguing this 407, this 407 we're not arguing as the basis for the litigation in this. A 407 would describe exactly the division of the proceeds. This case would not be needed if there was a 407. That's what we're asking for. This case is about proceeds, the records that John Rakowsky, that Desa Ballard -- that Mara Ballard has put together and submitted to this Court would be the basis as he

is supposed to maintain for who submitted these funds by inserting, which she has done - and she hasn't bothered to address that - she has changed the complaint, submitted these forms with R.S.C. and Nick Williamson now named as defendants in the action without amending the complaint. All that should be stricken, Your Honor, and I move to strike this.

She cannot sit there and continue to change this. We're not relitigating this. We're asking for the 407 to show about the distributions. We're asking for the records that have been submitted. Okay? You can't sit there and submit a document: I'm an expert. She just again stated about she's an expert; she's got these certifications. All that's well and good.

We have a right to examine those reports. We have a right to sit there -- you just can't take them on their word. I mean, we just showed you the word about not receiving stuff. I mean, what more can we do? We've asked for the 407. They sit there and they want to say: Oh, we're re-arguing the federal court case. Had nothing to do with the federal court case. Produce the 407. Show us where the division is.

Mr. Rakowsky's contract, the entire contract of the case which they talk about which will be handed to Your Honor -- the fact is is that it's based on expenses. He doesn't get a penny and neither does Falgione because their basic expenses

exceeded -- they exceeded the cost and the remuneration of this case. Okay?

It's in the contract; they signed it. It says quite clear: We want to see what they're making up to concoct this stuff. All right. There's the section. There's the contract. There's the signed amendments.

You know, if we -- if they're going to sit there and continue to hold this stuff in secret and not let us see the 407, the clerk gets this thing where we're trying to relitigate the case -- we're not trying to relitigate anything. The 407 defines and it is the Supreme Court law in this state that the lawyers have to have that 407.

We're asking this Court to honor that Supreme Court law and produce the 407 so we can see the divisions. Okay? They either produce it or they didn't -- or they didn't have it. They keep arguing around it. They can easily answer the question: Do you have that agreement or don't you? Does it exist? Okay?

The reason they're arguing around it: They didn't have it. Okay. Otherwise, everything in this action, the entire eight years, is -- if they have that, we'll agree to turn over -- if they produce that agreement, we'll turn over every bit and the proceeds there. What more can we say? Just show us the agreement. Show us the division. Show us what's supposed to be required.

You know, don't let them sit there and change amendments and put in R.S.C., because that number works better for them than law maxims which they pulled out. Okay? Why else would they do it? And they don't amend the complaint, but they submit it to Your Honor. Okay? That's an insult, I'm afraid, to the Court, to the judicial system, and she can quote it whatever way she wants. We're not rearguing a federal case. We've got that going on in federal court. The federal court will decide. Okay?

What we're arguing here is produce these documents that are required to be maintained that they won't produce and haven't produced and there's a reason. If they produce them, no argument; we'll walk out. Just produce the documents. They have to be there or they're not there. That's all I have to say, Your Honor.

The Court: Thank you. Madam Court Reporter, they've handed up several documents. Would you please mark those -- can I just mark those as one exhibit collectively? Any objection?

Ms. Ballard: I'll figure out from the court reporter what they are, Your Honor. I just need copies of all of them.

The Court: You've seen them?

Ms. Ballard: I'm sure I have.

The Court: Thank y'all very much. I will take it under

advisement. I will issue a ruling in one week.

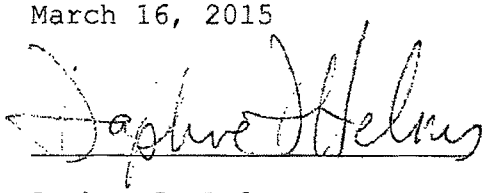
Ms. Ballard: Thank you, Your Honor.

(Defendant's Exhibit 1 was received in evidence. Whereupon, the proceedings were concluded.)

I, the undersigned Daphne D. Helms, official court reporter for the Fifth Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate, and complete transcript of record of all the proceedings had and evidence introduced in the trial of the captioned case, relative to appeal, in the circuit court for Richland County, South Carolina, on the 20th of August, 2014.

I do further certify that I am neither of kin, counsel, nor interest to any party hereto.

March 16, 2015



Daphne D. Helms, court reporter

STATE OF SOUTH CAROLINA)	
)	COURT OF Common Pleas
County of Richland)	2008-CP-40-6656
)	
)	
John R. Rakowsky,)	
)	
Plaintiff)	
)	
vs.)	TRANSCRIPT OF RECORD
)	
Adrian L. Falgione,)	
and The Law Offices of)	
Adrian Falgione, LLC,)	
James Spencer, Estate)	
of Doris Holt, Rodney)	
Lail, Irene Santacroce,)	
Marguerite Stephens,)	
Ricky Stephens.)	
)	
Defendants)	
STATE OF SOUTH CAROLINA)	
)	COURT OF Common Pleas
County of Richland)	2011-CP-40-5384
)	
)	
James Spencer,)	
Individually, on behalf)	
of the Estate of Doris)	
Holt and on behalf of)	
Southern Holdings, and)	
Irene Santacroce,)	
)	
Plaintiffs)	
)	
vs.)	TRANSCRIPT OF RECORD FOR
)	BOTH CASES HEARD JOINTLY
John R. Rakowsky,)	
Adrian L. Falgione,)	
and The Law Offices of)	
Adrian Falgione, LLC)	
Defendants.)	

May 7, 2012
Columbia, South Carolina

BEFORE:

The Honorable James Barber, III, Judge

APPEARANCES:

Stephanie Weissenstein, Esq.

Amanda Dudgeon, Esq.

Adrian Falgione, Esq.

Benjamin Bruner, Esq.

James Spencer, Appearing Pro Se

KAREN AMBROZIAK
Official Court Reporter

CONTENTS:

WITNESSES:

(There were no witnesses called.)

EXHIBITS:

(There were no exhibits introduced.)

CERTIFICATE OF REPORTER 70

THE COURT: All right. I need people to tell me who is here and who is not here. We're here today to try to figure out where we are in these cases, where we need to go and how we're ultimately going to resolve them. We've had some issues with --- here is Mr. Spencer --- Mr. Spencer's health and they're ongoing I assume. Come on up here, Mr. Spencer.

(Complies.)

MR. SPENCER: Yes, sir.

THE COURT: Is Ms. Santacroce coming?

MR. SPENCER: Yes, sir, she is on her way up.

THE COURT: Is this Ms. Santacroce?

MR. SPENCER: Yeah.

THE COURT: Let her sit at the table. She is one of the parties in this action, actions.

Now, as most things have gone in this case, when we were having all the discussion several weeks ago about hearings and where we're going to go and how we're going to do things, we being my office, my law clerk, pulled all the files, two files and got them all organized so that we would start from there. Of course, we took them back to the clerk's office and our clerk can't find where they are, but that's --- so you're going to have to fill me in a little bit.

We have two actions here. We have an

interpleader action on some money that's been paid. What's the money in the trust account that's presently being held? Anybody have an idea of the value? What's the amount of money in that? Are you all holding that?

MS. WEISSENSTEIN: Stephanie Weissenstein, and we have the money in our trust account. It's about $63,000.

THE COURT: $63,000. All right. There is an interpleader action to pay that $63,000 into the court, the clerk's office is that --- that's one action. That's the oldest action, right.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: Anybody disagree with that? All right. Now, I have heard --- we weren't able to come up with this information when we were reviewing and organizing the file. It's been repeated to me that there's 10, 12, 13, $9,000 that nobody can contest that somebody wants to be able to disperse that. Does anybody know anything about this?

MS. WEISSENSTEIN: Your Honor, there was a comment made in one hearing that referred to about $9,500 as being undisputed in the sense that those funds belong to or were generated for a cost of litigation, and since then there's been by the pro se

defendants the claim that it's on the court record that these are undisputed funds and that they're being improperly withheld. What our position has always been, Your Honor, is it's an interpleader action and we want to pay all the money to the court.

THE COURT: So there is no segregated $9,500 in some account somewhere that's separate and ---

MS. WEISSENSTEIN: It's all in one lump sum in our trust account.

THE COURT: The only money that is being held is the $63,000 that's in a trust account with your law firm?

MS. WEISSENSTEIN: Yes, sir; yes, sir.

THE COURT: All right. The interpleader was filed on behalf of ---

MS. WEISSENSTEIN: Mr. Rakowsky.

THE COURT: Mr. Rakowsky. All right, and this being the defendants, Mr. Spencer and Ms. Santacroce. Anybody else?

MS. WEISSENSTEIN: There was actually a plethora of parties, Your Honor, but most of them are in default, so the only remaining parties are Mr. Falgione and the pro se defendants and we also believe that Mr. Rakowsky will, once the money is interpled, can take on the posture of also being a

claimant, so there are multiple claimants.

THE COURT: Do y'all have any counter claims in the interpleader action?

MR. SPENCER: Well, let me straighten something out. First of all, Your Honor ---

THE COURT: Identify yourself.

MR. SPENCER: I'm Jim Spencer. I'm a defendant in the interpleader. The amount in question is $9,855.85, by their own accounting records that were submitted to your court on September 15th. I have a copy of this right here.

THE COURT: All right. But that money is not a segregated amount of money that ---

MR. SPENCER: That money --- they have combined that money and have said that that money is not disputed.

THE COURT: All right. Well, we're not getting into the merits.

MR. SPENCER: It's supposed to be segregated.

THE COURT: I'm just trying to find out where the cash is.

MR. SPENCER: It's supposed to be segregated and they didn't segregate it.

THE COURT: So it's in one account?

MR. SPENCER: I don't know that.

THE COURT: All right. Well, they have represented that, and you don't have any information to the contrary. All right. Now, are there any counterclaims on the interpleaders?

MR. SPENCER: Yes.

MS. WEISSENSTEIN: Sir, the counterclaims are all dismissed.

UNIDENTIFIED SPEAKER: They didn't dismiss us.

MR. SPENCER: They have been dismissed.

THE COURT: Don't talk to them. They don't talk to you. Everything comes through me.

All right. Are there orders on the counterclaims?

MS. WEISSENSTEIN: Yes, there was an order on the counterclaims, sir.

THE COURT: What was the counterclaim?

MR. SPENCER: Your Honor, we've asked for a counterclaim to get the ---

THE COURT: What was the cause of action on the counterclaim?

MR. SPENCER: A dispute in the amount of money in question.

THE COURT: Well, I understand that at some point in time if they are successful, there's going to be some issues as to who gets the money. You're making a

claim for some of the money. I don't know whether Ms. Santacroce is making a claim for the money. Ail apparently Ms. Weissenstein says that somebody else might --- I don't know if Mr. Falgione --- I don't know who is going to make any claims or what claims are pending, but is that what --- is that what y'all are looking for?

MR. SPENCER: No, sir. Mr. Rakowsky, on September 15th, acknowledged that he had no problem with that litigation money being paid out, that $9,855.85, which is separate from the $50,000 that was put in.

THE COURT: All right. Well, I don't care what he said at that point in time. I'm still trying to understand in my mind what we ---

MR. SPENCER: There are no other claims on that $9,855 but our claim.

THE COURT: All right. Well, here is the deal. Y'all oppose the money being paid into the court?

MR. SPENCER: We oppose the $9,855.85 being paid into the court.

THE COURT: Because you say you want it paid directly to you?

MR. SPENCER: That's correct.

THE COURT: Do you oppose the 9,000 some odd

dollars -- who has the claim on that?

MR. SPENCER: The only people who have a claim on that are the defendants.

THE COURT: Give me the names.

MR. SPENCER: The three defense (sic) are Irene Santacroce, Rodney Lail, and myself.

THE COURT: All right. Do you dispute that that there is a $9,000 ---

MS. WEISSENSTEIN: Your Honor, the other possible claimants have all defaulted, so we have disputed paying anything to anyone without a court order.

THE COURT: I understand that, but if you can all agree that 9,000 some odd dollars should go to these defendants for some reason, we'll sign a consent order and put the $54,000, pay it into trust and we'll argue about who gets that.

MS. WEISSENSTEIN: Your Honor, a consent order that firmly releases my client from any kind of liability as to the payment of that 9,500 whatever dollars will be okay, but without an order, we're just not going to pay these people any money.

THE COURT: Well, I know, but the best you're going to get ---

MS. WEISSENSTEIN: I'm sorry.

THE COURT: The best you're going to get on the

interpleader action is permission for the court to hold the money as opposed to you. There will not be any action on the interpleader action as to who is entitled to what. Just to pay the money into the court. Do you understand that?

MS. WEISSENSTEIN: I do, sir.

THE COURT: And then there's going to be --- I guess, I don't have the pleading. Somebody is making a claim for that money.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: Be it Mr. Spencer, Mr. Rakowsky, somebody is making a claim for the money. They say, being the defendants in the interpleader action, say there's $9,500 for lack of a different --- that is not disputed and it should go to them. There is a dispute as to the other $54,000. Who gets that? Well, you know, if, in fact, they should get it, we might as well give it to them. If you can't, here is what's going to happen. I'm going to order the money be paid at some point in time into the court. There's no reason for them to hold when the court can hold it. And then we're going to have to set up some process for determining who gets $64,000.

MR. SPENCER: Your Honor, it's my understanding that according to the law that if the money is not in

dispute, it is not to be put into the interpleader. This money is not in dispute. It's supposed to be paid to us.

THE COURT: They're claiming it is in dispute.

MR. SPENCER: No, they just said it wasn't in dispute.

THE COURT: I didn't hear them say that. They said we'll pay anything if we're relieved of any liability. Well, are you agreeable to relieving them of any liability with respect to ---

MR. SPENCER: Well, I'm not sure what she is talking about with any liability.

THE COURT: I would assume that however --- I don't know how.

MR. SPENCER: What liability is she looking for release from?

THE COURT: I don't know.

MR. SPENCER: We're just asking that $9,500 be paid that we agreed to.

THE COURT: Well, here's what you need to do. You all need to agree to just pay the money into the court. You all need to agree that let's have a hearing as quickly as we can to decide who gets it. If there is some of that money, that $64,000 that is not --- that y'all acknowledge. You say it's for the

advancement of some court costs or ---

MR. SPENCER: Litigation funds.

THE COURT: All right. If that's, in fact, the case, then pay it to them. These folks need money at least based on my outside observation. If it's theirs, give it to them. Who is entitled to the other $50,000? $55,000? Do you have an opinion as to that?

MS. WEISSENSTEIN: Yes, sir, we do.

THE COURT: All right. What is your opinion as to who is entitled to that?

MS. WEISSENSTEIN: Our opinion is that $55,000 was settlement proceeds.

THE COURT: All right. And who gets ---

MS. WEISSENSTEIN: And then the attorneys representing the parties would be entitled to their fee, but in addition to that, Your Honor, there are other considerations that would be presented to the court at a hearing to ascertain those amounts of money.

THE COURT: Look ---

MS. WEISSENSTEIN: But, again, in terms of the interpleader action ---

THE COURT: This is a status conference. We're not holding anybody responsible. Basically your client believes they are entitled to a contingent fee on the

$50,000; is that right?

MS. WEISSENSTEIN: Yes.

THE COURT: Is there other money that they say they're entitled to in addition to the fee?

MS. WEISSENSTEIN: The fees and costs that were not paid in relation to the representation of Mr. Spencer.

THE COURT: All right. So everything you're claiming is litigation fees or costs?

MS. WEISSENSTEIN: I think so, Your Honor.

MR. FAGIONE: If I may, Your Honor, I'm Adrian Falgione. I'm one of the defendants in this interpleader action. I think there were multiple plaintiffs in that action, more than just the three people that are before you today, and I think they are entitled to that.

THE COURT: I don't care what they are entitled to. I want to know what you claim you're entitled to.

MR. FAGIONE: Our fees and costs, Your Honor.

THE COURT: Anything else?

MR. FAGIONE: I didn't have anything else in that particular action, Your Honor.

THE COURT: All right. And then you claim all the other plaintiffs are due the rest of it.

MR. FAGIONE: The plaintiffs and there were some

expert witnesses, I believe, Your Honor, but I have not kept up with the status of all those.

THE COURT: Expert witnesses on behalf of who?

MR. FAGIONE: On behalf of the plaintiffs.

THE COURT: Who paid them?

MR. FAGIONE: I don't know if they all have been paid or not, Your Honor. I've lost touch with what's gone on. This case, it's five years ago, six years old.

THE COURT: I ran for judgeship one time. Somebody on the committee wrote a letter to somebody who had filed a complaint against another judge and said, "Would you're like to file a complaint against Judge Barber?"

Now, we're not going out and looking for people to come in here and claim these funds if they're not interested in protecting their own whatever.

MS. WEISSENSTEIN: Your Honor, the --- everyone that we can think of who could have possibly been the contacted was identified and the Summons and Complaint was advertised in the newspaper.

THE COURT: When was this case settled?

MS. WEISSENSTEIN: I'm sorry?

THE COURT: When was the case settled?

MS. WEISSENSTEIN: The underlying action?

THE COURT: The $50,000 settlement, when was that settled?

MS. WEISSENSTEIN: I believe sir, that it was in 2005.

THE COURT: They ain't appeared, they have no claims. I can tell you that.

All right. So the parameters are --- do you understand that, Mr. Spencer? There's $63,000. They claim that they are entitled to some attorney fees and costs and that the plaintiffs are entitled to the other money. I'm not saying that's a valid claim. I'm not saying that's what will happen. That's what they claim.

MR. SPENCER: I'm not objecting to anything to do with that $55,000. The only thing we're asking for is the litigation expenses back, and we'll litigate over the other fees. That's all we're asking for. The money that we paid for litigation expenses that wasn't used, back.

THE COURT: All right. Well, I'm trying to understand in my mind, and I want you to understand in your mind what it is they're claiming.

MR. SPENCER: I understand what they were claiming.

THE COURT: All right. Now we have a second

lawsuit. The second lawsuit is you have filed a negligence action and some other cause of action in which you're seeking, Mr. Spencer, and I guess, Ms. Santacroce damages from Mr. Falgione and Mr. Rakowsky, right?

MR. SPENCER: Yes, sir.

THE COURT: And that's the newest suit?

MR. SPENCER: Yes, sir.

THE COURT: All right. Now, when is it that y'all believe we'll be able to deal with the $63,000? Is there any discovery that has to be done in that case?

MR. SPENCER: Yes, Your Honor.

THE COURT: All right. Who needs to do discovery?

MR. SPENCER: We have been trying to do discovery. We have a motion to compel. Irene has ---

THE COURT: I read ---

MS. SANTACROCE: I'm Irene Santacroce. I have a motion to compel to get some answers.

THE COURT: All right. I read the interrogatories, and I read the discovery responses, and I I'm going to tell you Ms. Santacroce, in looking that the responses and the questions, you're not going to prevail. There may be some things that you'll get,

but some of your questions are just kind of left field. You know, under the rules, you're entitled to any discovery that is relevant or that may lead to something that is relevant. You're not entitled to just ask questions and expect people to just answer those questions. If it's not relevant or something that's likely to lead to something that's relevant, then that's not going to fly. Now, I'll be happy --- whatever your entitled to get, I'll be happy to see to it that you get.

MS. SANTACROCE: Okay.

THE COURT: But I went through all your discovery, all your interrogatories and ---

MS. SANTACROCE: Well, all the answers were the same.

THE COURT: Well, you're questions were --- I just didn't see any kind of relevancy to most of your questions.

MS. SANTACROCE: Okay.

THE COURT: But, I mean, --- do you all want to do any depositions?

MR. SPENCER: Yes, sir.

THE COURT: All right. Who do you want to depose?

MR. SPENCER: I want to depose Mr. Rakowsky.

THE COURT: This is on the interpleader action.
MR. SPENCER: Yes, sir.
THE COURT: All right. You want to depose Mr. Rakowsky. Anybody else?
MR. SPENCER: No, I can't think of anybody else.
THE COURT: Ms. Santacroce, do you want to take any depositions?
MS. SANTACROCE: No.
THE COURT: You will have an opportunity to question the witnesses at the same time that the deposition is being taken.
MS. SANTACROCE: Yes, sir.
THE COURT: You can take one. One of you will be the lead litigant and the other one can ask whatever you want to ask.
All right. Are there any motions outstanding in that first case?
MS. WEISSENSTEIN: Not by us, Your Honor.
THE COURT: All right. Mr. Spencer, any motions outstanding in the ---
MR. SPENCER: In the interpleader, yes, sir.
THE COURT: What is the motion?
MR. SPENCER: There is a motion for sanctions.
THE COURT: All right. For what?
MR. SPENCER: For interpleading funds that are

not supposed to be interpleaded and for ---

THE COURT: Well, and that won't be dealt with prior to trial.

MR. SPENCER: Okay.

THE COURT: Because that won't be --- what you will probably have to do is seek some sort of frivolous action if, in fact, they're not there.

MR. SPENCER: That's part of our counterclaim.

THE COURT: All right. Well, that will have to be decided in the whole picture.

MR. SPENCER: We have a motion to amend our answer for a counterclaim and for a jury trial.

THE COURT: Well, I don't think it's for a jury trial.

MR. SPENCER: All right. Our counterclaim ---

THE COURT: It's an equitable action.

And you have a proposed counterclaim?

MR. SPENCER: Yes, sir.

THE COURT: On the amended complaint?

MR. SPENCER: We have had an amended complaint and counterclaim since August of 2011.

THE COURT: Have you seen the amended complaint?

MS. WEISSENSTEIN: Your Honor, I couldn't understand what he just said.

THE COURT: He said that since August of 2011, he

had filed a motion to amend the answer and the counterclaim and when he did that, he submitted a proposed answer and counterclaim, which is what you're required to do. Are you going to fighting him on the amendment? You're going to lose. Do you want to fight him?

MS. WEISSENSTEIN: Your Honor, I believe that an order of August 3rd, 2011 addressed that motion.

THE COURT: Let me see it.

MS. WEISSENSTEIN: I'm sorry?

THE COURT: Let me see it.

MS. WEISSENSTEIN: I don't have that with me today, Your Honor.

THE COURT: Why wasn't it filed?

MS. WEISSENSTEIN: Because, Your Honor, I believed that we were here to schedule the outstanding motions and not litigate the issues.

THE COURT: We're here to determine the status of the thing. I'm not litigating it, but you know as well as I do, the rules liberally allows for amended pleas, so you're probably going lose that.

What I'm trying to figure out is the if he amends, when can they do the depositions and let's go ahead and schedule the hearing on the merits of the interpleader action.

MS. WEISSENSTEIN: Your Honor, if the --- this action has been pending since 2008. He could have moved for the depositions a long time ago, and we would object to any further discovery at this point. It's an interpleader action.

THE COURT: I don't care. We're going to give him an opportunity to do it. We are going to give everybody an opportunity to do what they need to do before we go to a hearing, but we're going to schedule a hearing. If they don't do it before we go to the hearing, then they're going to give up their right to do it. I want to get the issues framed so that everybody knows what it is we're talking about when we go to a hearing.

What you need to do is consent to his amending the answer and the counterclaim, let's get on with that. Find out when it is he can take these depositions, let's get on with that and schedule a hearing.

MS. WEISSENSTEIN: All right, Your Honor. We'll consent to him filing his amended.

THE COURT: All right, they're consenting to allow you to amend your answer and counterclaim, so get them filed and get them served.

MR. SPENCER: Yes, sir.

MS. WEISSENSTEIN: Your Honor, if the --- this action has been pending since 2008. He could have moved for the depositions a long time ago, and we would object to any further discovery at this point. It's an interpleader action.

THE COURT: I don't care. We're going to give him an opportunity to do it. We are going to give everybody an opportunity to do what they need to do before we go to a hearing, but we're going to schedule a hearing. If they don't do it before we go to the hearing, then they're going to give up their right to do it. I want to get the issues framed so that everybody knows what it is we're talking about when we go to a hearing.

What you need to do is consent to his amending the answer and the counterclaim, let's get on with that. Find out when it is he can take these depositions, let's get on with that and schedule a hearing.

MS. WEISSENSTEIN: All right. Your Honor. We'll consent to him filing his amended.

THE COURT: All right, they're consenting to allow you to amend your answer and counterclaim, so get them filed and get them served.

MR. SPENCER: Yes, sir.

THE COURT: I am going to give you fifteen days to do that.

MR. SPENCER: Yes, sir.

THE COURT: If you don't, you blow this.

MR. SPENCER: I understand.

THE COURT: Then you answer the amended answer and counterclaim.

MS. WEISSENSTEIN: We will, sir.

THE COURT: I'll give you ten days to do that.

MS. WEISSENSTEIN: All right.

THE COURT: From service. And when do you want to --- when can you take depositions, Mr. Spencer?

MR. SPENCER: Well, I can --- I'll have to get the ---

THE COURT: Can you do it within 30 days of their filing an answer?

MR. SPENCER: Within thirty days of their filing an answer.

THE COURT: Within thirty days of your filing an answer, I mean, a reply to their counterclaim, he needs to take Mr. Rakowsky's and you need to make him available and Mr. Falgione. Do you have any discovery you want to take?

MS. WEISSENSTEIN: Not really, Your Honor, but I mean, are they going to be required to notice my

client's deposition?

THE COURT: Notice in what way? Yeah, I'll get them to --- send a notice when you want to take them.

MR. SPENCER: Yes, sir.

THE COURT: We can do it the hard way, or we can see if we can ---

MS. WEISSENSTEIN: And that's what I'm asking. I'll be happy to cooperate and coordinate for dates and times.

THE COURT: Do you all have e-mail, I mean, email addresses?

MR. SPENCER: Yes, sir.

THE COURT: All right. Then you and Ms. Santacroce figure out some times that you --- now have don't just figure out one day, because this lady has a busy schedule and these lawyers have busy schedules, so you're going to have to give them several days.

MR. SPENCER: We will.

THE COURT: And y'all get together and get those depositions scheduled.

MR. SPENCER: Yes, sir.

THE COURT: All right. Then when do you all want to have a hearing? So we're --- it's probably going get it to June, July --- when do you want to have a

hearing?

MS. WEISSENSTEIN: In July, Your Honor, we are pretty much open any day but the 16th.

THE COURT: Well, it probably won't be in July. It will be later than that. How about after August 15th?

MR. SPENCER: Yes, sir.

MR. FALGIONE: Your Honor, with great trepidation, I would like to inform the court that I intend to ask for a week, and it's the week following the 15th.

THE COURT: Get your client to write a letter of protection for you. I never take vacations away from people. I mean, I'm not saying it's going to be the week of the 5th. It may be September 15th before we get around to setting it. I've got to find an nonjury term. How much time are we going to take on this thing, a day?

MS. WEISSENSTEIN: I imagine so, Your Honor.

THE COURT: Do you think we can do it in a day, Mr. Spencer?

MR. SPENCER: I would believe so, sir.

THE COURT: We will schedule a hearing for one day after September --- I mean, August 15th. Now, don't call me on the 16th saying I haven't got notice

yet, because I'm got to --- I mean, I've got get judges. I've got get courtrooms. I've got get y'all. I'll try to give y'all as much notice as I possibly can.

All right. Does that take care of --- now, we'll look at your counterclaims and see what the deal is on whether they're legal or equitable. I'm not sure that you're going to be able to file a legal counterclaim on the interpleader action.

MR. SPENCER: Yes, sir.

THE COURT: I'm not sure what it is that you're going to want to do specifically. You've already got your damages lawsuit pending now. If you're seeking --- bringing a counterclaim seeking damages that you're already seeking in your ongoing litigation, you know, they're going to get kicked. You're only entitled to one kick of the mule. That may be the lawsuit y'all have got pending now.

MR. SPENCER: Yes, sir, I understand.

THE COURT: But take a look at it. You understand what the parameters are. All right. Lawsuit number two.

MR. SPENCER: Your Honor, the $9,855.85, are they willing to release that to us?

THE COURT: Apparently not.

MS. SANTACROCE: I don't --- excuse me, Your Honor, but I don't understand if Mr. Rakowsky and Mr. Falgione ---

THE COURT: I don't know if you've introduced yourself fully.

MS. SANTACROCE: Yes, sir. I'm Irene Santacroce.

THE COURT: I'm sorry. All right. Go ahead.

MS. SANTACROCE: I don't understand why, if Mr. Rakowsky and Mr. Falgione --- I know Mr. Rakowsky has, even in this, he has no problems with releasing the $9,800 worth.

THE COURT: Who doesn't?

MS. SANTACROCE: Mr. Rakowsky. Is that not true?

MR. RAKOWSKY: Your Honor, after I talked to my counsel, she said there were some issues that were going to have to be addressed so that the money, I mean, I defer to her. Outside of this, I'm the client. If she feels that there's still any potential issues about repayment and for that reason I'm going to defer to her. If she says that that are ---

THE COURT: All right. Tell me how the $63,000 comes into play? Where is that money?

MR. RAKOWSKY: There was a $55,000 paid as a result of a federal court settlement and then there was some money that was paid into an account prior to

the case being resolved, but was to be used for resolution of the case, but there was money borrowed and ---

THE COURT: Whoa, whoa. There was some other money paid into what again?

MR. RAKOWSKY: Into my trust account by the two lenders who Mr. Spencer and the parties had contacted requesting money to be paid. It was litigation expense money and these lenders ---

THE COURT: All right. So $55,000 is the settlement and in your trust account were some monies that had been advanced by these clients ---

MR. RAKOWSKY: No, not these clients, but through these companies on behalf of their clients.

THE COURT: Well, I assume they were on the line to get this money advanced, either signed some note or did something to generate those funds.

MR. RAKOWSKY: Yes.

THE COURT: So whether they took it out of their pocket or they went to the bank and borrowed, it is money that would be theirs.

MR. RAKOWSKY: Theirs is the issue, the word theirs. I don't have a strong opinion who is defined to be theirs because each loan was different. There were different parties involved at the time the loans

came in. Quite frankly, I think it's an issue that probably the court should hear. That's my opinion. That's what Ms. Weissenstein has advised me of. At this point I'm not trying to give an opinion either way because I'm not sure that I know who the present potential claimants are on that $9,500.

Certainly Mr. Spencer is, but from what Ms. Weissenstein tells me, there could be other claims. For that reason, I think they're misstating where I stand, but I'm not going to get into an argument about it.

THE COURT: But you acknowledge that you have no claim to that money, right?

MR. RAKOWSKY: Not to the $9,500, no.

THE COURT: And Mr. Falgione has no claim to that money. Is that correct, Mr. Falgione, the $9,500?

MR. FALGIONE: That's correct, Your Honor.

THE COURT: The only people that would have claim to that would be the plaintiff --- or the defendants in the interpleading action.

MR. RAKOWSKY: Or any of the lenders.

MS. WEISSENSTEIN: Your Honor, Mr. Spencer has made representations and allegations against Mr. Rakowsky regarding the lenders and the failure to properly contract with or repay or name as parties or

et cetera the lenders that for this $9,800 so they have created much of our concern with these allegations that he's made via e-mail and in pleadings.

THE COURT: All right.

MS. WEISSENSTEIN: So we would prefer for the safety of ---

THE COURT: Mr. Spencer, I want you to sit down. You stay seated. You don't have to address the court standing up.

MR. SPENCER: Okay.

MS. WEISSENSTEIN: For the purpose of the interpleader action, Your Honor, for the protection of my client, if we were to issue a check to Mr. Spencer, what's to say that Ms. Santacroce or some other person with whom they are in concert with would not then sue my client for conversion or for some other action and so I would just, for the safety of my client and for full representation, the entire $63,000 needs to be paid ---

THE COURT: Look, I'm not asking you to write a check to anybody. What you would do is we're going to pay this money into the court.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: What you would do is consent to those

funds being paid upon court approval.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: If it's these three --- I don't know how many defendants in the interpleader.

MS. WEISSENSTEIN: Currently, Your Honor, we have ---

THE COURT: How many were named?

MS. WEISSENSTEIN: Mr. Falgione, Mr. Lail, Mr. Spencer, Ms. Santacroce and Horry County.

THE COURT: Horry County, Mr. Lail, Mr. Falgione, Ms. Santacroce, and Mr. Spencer. All right.

MS. SANTACROCE: Also, Ricky Stephens and Marguerite Stephens, as well.

THE COURT: Are they in default?

MS. SANTACROCE: Well, they haven't shown up.

THE COURT: All right. So they're in default.

MR. SPENCER: Your Honor, if I may speak.

THE COURT: Hold on a second. Judge Benjamin, do you need to see me?

JUDGE BENJAMIN: When you get a second.

THE COURT: That may be tomorrow. You can come up here.

JUDGE BENJAMIN: Okay.

(WHEREUPON, there was a bench conference.)

THE COURT: All right. Now, tell the me about

who --- so the only --- did Horry County file ---

MR. LINDEMANN: Your Honor, I'm Andrew Lindemann for Horry County. We have no claim to any of the $63,000 ---

THE COURT: So you don't have a claim.

MR. LINDEMANN: No, sir.

THE COURT: So y'all are three of the defendants, right? And who else did you say?

MS. WEISSENSTEIN: Your Honor, beside Horry County, there was Marguerite Stephens and Ricky Stephens; they never made an appearance.

THE COURT: All right. So. They were are in default.

MS. WEISSENSTEIN: Well, they filed an answer signed by Mr. Spencer, but they never actually ---

THE COURT: Well, he can't represent them, so they are in default. Where are these people, Mr. Spencer?

MR. SPENCER: Your Honor, first of all, I did not --- they filed their own answer and they asked that their rights today, money be turned over. We all signed the same motion October 2008. The money be turned over. They are in default. They have no claims on the money.

THE COURT: They're out of the case.

MR. SPENCER: They're out of the case. The lending companies are out of the case.

THE COURT: Mr. Spencer, I'm trying --- if they're in default, they're out of the case.

MR. SPENCER: Everybody is in default, the only claims are right here.

THE COURT: All right.

MR. SPENCER: And Ms. Weissenstein knows that. She is trying to keep this money out of our hands so we cannot ---

THE COURT: Whoa.

MR. SPENCER: Okay.

THE COURT: Don't talk about her.

MR. SPENCER: Okay.

THE COURT: Y'all have a problem with let's sign a consent order ordering all the money be paid into the court and then let's have an immediate hearing on the $9,500 to determine who gets that money. We know Horry county is not making a claim. Y'all can sign a waiver of any claim.

UNIDENTIFIED MAN: Your Honor, we paid 30,000 of the 55 settlement. That's why we're in the case.

THE COURT: Y'all can waive any claim to that --- who was --- Mr. Rakowsky, he was one of the defendants in the case, interpleading action; is that right?

MS. WEISSENSTEIN: He is a claimant, yes. Mr. Falgione is a defendant in the interpleader case, so they're claiming to the $55,000.

THE COURT: I'm not talking about the $55,000. I'm talking about the $9,500.

MS. WEISSENSTEIN: Neither Mr. Falgione nor Mr. Rakowsky have a claim to that.

THE COURT: All right. So. They can waive any claim to that.

MS. WEISSENSTEIN: Yes.

THE COURT: And then they can get up and tell me why it is they're entitled to the money and if that's the only evidence in front of me and there will be a record, then I'll sign an order giving them the money. I assume these folks want to use some of this money to prosecute this action. Maybe not. Maybe they want to go have a party. Let's not waste time. Let's get to the bottom of this.

MS. WEISSENSTEIN: Yes, sir, absolutely.

THE COURT: The bottom of this is you've got $55,000 of which these two gentleman may have some claim to.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: And that's all they claim. Nobody else is making a claim to the $55,000 but these folks.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: If they don't prevail, they get it all. If they prevail, they get whatever they don't get. I mean, whatever is left, but that's easy. Let's go ahead with that. Do you have a problem with that, have an immediate hearing on the $9,500?

MR. SPENCER: No, sir. That's all we've asked for since day one in 2008.

THE COURT: All right. Well, let's do that. Do you need to do any discovery as to the $9,500?

MR. SPENCER: I'm taking their record of $9,855.85.

THE COURT: I don't know why you wanted to do discovery on the other claim. You know what it is.

MR. SPENCER: Yes, sir.

THE COURT: That is, they think they're entitled to, I guess, a 33 percent interest in the settlement and some costs that they've advanced on your behalf.

MR. SPENCER: I know what they are claiming.

THE COURT: You can spend the money on the depositions if you want, but I don't know that you need to, but if you want.

All right. Well, I'm going to --- can we have a hearing on $9,500 quickly?

MR. SPENCER: It's, you know, it's --- all we're

going to present.

THE COURT: Well, you're going to have to present your case as to why you're entitled to or why Ms. Santacroce is entitled to it. Let me hear it. If somebody has filed an answer on their behalf ---

MR. SPENCER: Nobody filed --- they filed their own answers.

THE COURT: Somebody filed an answer on their own behalf. They were going to have to be noticed to come to the hearing. If they don't show up --- they were talking about Ricky, whoever Ricky is and somebody else.

All right.

MS. WEISSENSTEIN: Your Honor, if I might interject real quickly, if they're going to file an amended answer and counterclaims, that could affect or attach somehow to the 95 plus, so we don't know what their claims are going to be at this point, Your Honor, so I would be hesitant to have a hearing addressing money if that could be part an element of their ---

THE COURT: My guess is they're not going to --- other than their counterclaim might say we're entitled to the $9,500. He says he is prepared the counterclaim and sent it to y'all.

MR. SPENCER: Yes, sir, and that counterclaim has no claim on that. All we've asked for from day one is the $9,855.85 that we put in. That's all we asked for.

THE COURT: What does the counterclaim ask for?

MR. SPENCER: The counterclaim goes into the ---

THE COURT: The division of the $55,000?

MR. SPENCER: Yes, sir. It goes into that and it goes into other areas that we're making claims on and part of the counterclaim that they have, and she knows quite well, I would assume that they know quite well.

THE COURT: I don't know.

MR. SPENCER: That there is no claim on the $9,855.

THE COURT: Ms. Santacroce is not available to go to a hearing until after June 1, so I'm going to schedule a hearing on this --- are you all agreeable to everybody consent to the money being paid into the court?

MR. SPENCER: As far as ---

THE COURT: Taking it from their trust account paying it to the court, have the court hold it.

MR. SPENCER: I don't have a problem with that.

THE COURT: Ms. Santacroce, do you have any problem with it?

MS. SANTACROCE: No.

MR. LAIL: No, sir.

THE COURT: All right. Prepare an order and in that order say that no funds will be held until it is determined by the court who is to receive what and that the court will immediately schedule, as soon as it can after June 1, a hearing to determine whether these three defendants or any of the named defendants are entitled to any --- or any of the parties are entitled to the $9,500, whatever that amount is, and I will schedule that sometime after June 1st, and if y'all don't want any of that, do a waiver, Horry County, if Mr. Rakowsky and Mr. Falgione are not making any claim to that, let them do a waiver without denying anybody else's interest in the money. You know, they can protect themselves in that regard. Then we'll have a hearing. Do you think we can do it in an hour?

MR. SPENCER: I would assume less than that.

THE COURT: All right. We'll have a hearing, I'll hear it. Then we'll come up here and decide whether they're entitled to $9,500.

Now, you need to let us know. If the court is going to issue a separate check to each party, then we will need to know each amount.

MR. SPENCER: In our proposal, from day one, to put that into one trust account and everybody has agreed to that. That motion has been before the court since ---

THE COURT: Well, I'm not sure what one trust account.

MR. SPENCER: We've all named a trust account, a lawyer to be paid into.

THE COURT: And who is that?

MS. SANTACROCE: It's James T. Young.

THE COURT: Where is he?

MS. SANTACROCE: He's with Singleton Burroughs & Young out of Conway, South Carolina.

THE COURT: Can you get something from him saying that he is agreeable to accept those funds if the court orders it and hold those funds in trust on behalf of whoever ---

MS. SANTACROCE: Yes.

THE COURT: All right. Get something and bring that to the hearing ---

MS. SANTACROCE: Okay.

THE COURT: --- saying that if the court authorized the payments to y'all for your claims for the $9,500, that you're authorizing it be paid to him and he will hold it in trust for your use and benefit.

MS. SANTACROCE: That's correct.

THE COURT: And you all need to figure out what you need to do with him in order to be able to authorize the expenditure of that money or authorize the payment to you.

MS. SANTACROCE: Right. Yes, sir.

THE COURT: All right. So we'll get rid of that and then we'll have a hearing sometime after August 15th to decide what happens to the $55,000, $54,000.

MS. WEISSENSTEIN: Yes, sir.

THE COURT: All right.

Lawsuit number two, when was that filed, Mr. Spencer?

MR. SPENCER: That was filed in August of 2011.

THE COURT: All right.

Now, we know in that suit we have a motion to exclude.

MS. DUDGEON: Yes, Your Honor, Mandy Dudgeon, for Mr. Rakowsky. There is motion to disqualify.

THE COURT: That's the first thing we need to hear. We're going to hear it. Now, Mr. Spencer the doctors have asked --- they tell me that he can start and will be able to hold hearings, but not more than one a day.

MS. DUDGEON: We'll be prepared immediately after June 1st to handle that.

THE COURT: We're not going to have this hearing on the same day we would have your hearing.

MS. DUDGEON: I understand.

THE COURT: We'll have to figure all that out. I'd like to give Mr. Spencer is couple of days between hearings to catch his breath and recoup, so that will have to be the first hearing.

Then there was another motion that we heard that was ---

MS. DUDGEON: There's two motion to dismiss, one on behalf of each of the defendants and that's all that I know that is pending, Your Honor.

MR. BRUNER: Yes, that's correct, Your Honor. Ben Bruner here for Mr. Falgione and his firm. We have a motion to dismiss that we filed last November, the day after Ms. Dudgeon's firm. We amended our motion later, I believe, if it matters, both our amended motion and our original motion are appearing as two separate items on the docket, but the amended one is the only one we need heard. We simply request that it's heard as soon as possible ---

THE COURT: All right.

MR. BRUNER: --- so we can pursue discovery

before this cases pops up on the trial roster.

THE COURT: Let's assume that the case is not dismissed. What discovery has to be done?

MS. DUDGEON: Your Honor, probably ---

THE COURT: Who would you want to depose?

MS. DUDGEON: Well, at least all the actual plaintiffs ---

THE COURT: I mean, I don't know who the plaintiffs are. Mr. Spencer would be one ---

MS. DUDGEON: I would say there would be at least five depositions. It also depends if they have an expert, but at least five depositions.

THE COURT: All right. Mr. Spencer, who are you all going to want to depose in that lawsuit --- or Ms. Santacroce?

MR. SPENCER: There will be about six depositions.

THE COURT: All right. Tell me who you're thinking about at this time, Rakowsky and Falgione?

MR. SPENCER: At this time it would be Rakowsky and Falgione would be two of the people. And, there will be ---

THE COURT: All right. How about let's --- do you think it's possibility to combine the discovery in these two cases so they don't have to take their

depositions twice?

MS. DUDGEON: No, Your Honor, because I would anticipate our motions would be heard in June and that would be about the same time they were going to be deposing people, so no, I would not want to combine the discovery.

THE COURT: All right. Do you all anticipate securing counsel if you get this money?

MR. SPENCER: Yes, sir.

THE COURT: So all of this may be for naught because your lawyer may step in here and say I need something different; is that correct?

MR. SPENCER: I can't speak for somebody I don't know, sir. However, I would like to bring up ---

THE COURT: All right. Go ahead.

MR. SPENCER: No one has addressed the entry of default that we filed.

THE COURT: I don't know about entry of default.

MR. BRUNER: Your Honor, I believe that's the motion for entry of default that Mr. Spencer filed as against my clients and Ms. Dudgeon's client prepared an answer to the complaint timely. That was attached to an unnotarized affidavit. I believe we discussed that at the status conference.

THE COURT: Somebody --- Ms. Santacroce, I

believe, somebody filed a motion of default where I said the service was not sufficient service because it doesn't meet the rule as to specificity as to this. SAPBLTS about is that correct.

THE COURT: I already addressed that issue.

MS. DUDGEON: Your Honor addressed in the status conference ---

MS. SANTACROCE: Yes, I know, but what I'm saying is that we sent a supplement when I got the ---

THE COURT: A supplement --- what?

MS. SANTACROCE: --- the process server to redo what they should have done.

MR. BRUNER: Your Honor, my understanding is that it was Mr. Lail's wife that's reported to have served my client at the September 15th hearing at the interpleader case. Your Honor did address that. We had a court reporter there at the last hearing. I don't think that that's before the court right now. If it is ---

THE COURT: I've already determined that based on what is filed --- you know, one of the things with a lawsuit, you don't get to go back and redo things because they didn't get done right the first time.

MS. SANTACROCE: Well, in all the cases I've been in, Your Honor, and that's been quite a few since

2008, the other side is always sending supplement this, supplement that, so my experience as a pro se litigant, I thought it was okay, so I straightened it out and I resubmitted it.

THE COURT: I already ruled. I determined there is no default because there is no appropriate affidavit showing anybody was served. I mean, it wasn't even something you'd have a hearing on.

MR. BRUNER: I believe that ---

THE COURT: If it's an entry of default, you would normally file, send me an affidavit of service, an affidavit of nonmilitary service, a copy of the --- I don't know, whatever else you may have.

MS. SANTACROCE: Yeah, and you did say that on the phone.

THE COURT: I would review the facts and either sign the default or deny the default. In this instance you sent it, I pulled the file and I reviewed it, the affidavit that you --- whoever filed your affidavit of service was clearly deficient under the rule, so I denied the entry of default and that's where it is. We don't go back and redo it again, but we're not trying this case on the default. We're trying this case on the merits of the case. If you all are entitled to money against them, you're going

to get it based on the merits of your claim.

MS. SANTACROCE: Yes, sir.

THE COURT: If they have something about you, they're going to get it on the merits of the claim. That's not going to be done on some technicality that kicks you out of court or kicks them out of the court. That's the purpose of litigation. You give everybody the opportunity to offer whatever they want to offer and somebody is going to make a decision as to who is entitled to recover. In this case you get to a jury and the jury is going to make a decision. Were you wronged and if so what damages are you entitled to.

MS. SANTACROCE: Yes, sir.

MR. Bruner: Your Honor, at the risk of beating a dead horse, I would like to point out for the record that the motion for default was filed three months after we filed our notice of appearance and our motion to dismiss.

THE COURT: I'm well aware of that.

MR. BRUNER: I'd just like to get that on the record, Your Honor.

THE COURT: That's an issue --- do you all want me to do an order saying that I had Ms. Santacroce send a proposed entry of default, the court reviewed the file, determined that the affidavit of service was

deficient, that it failed the specificity of the rule stating who was served, what time they were served, where they were served and all that, that it was deficient, but it was served after the fact that y'all had already served an answer, if I remember correctly and the court has determined that there is no default based on there is no sufficient affidavit.

MR. BRUNER: Your Honor, if we need an order --

THE COURT: All right. Do me that order. All right. Now, we need to find out whether you're in the case or not in the case.

MS. DUDGEON: Yes, Your Honor.

THE COURT: And then we need to hear the motions to dismiss.

MS. DUDGEON: Yes, Your Honor.

THE COURT: Then, we need to figure out a scheduling order as to discovery. Mr. Spencer, I would like you and Ms. Santacroce to determine --- are you going to have any experts in this case? I need we need to find out whether you have a lawyer or not.

MR. SPENCER: Yes, Your Honor.

MS. DUDGEON: Your Honor, perhaps we could have one hearing a week in the month of June.

THE COURT: I don't think I can have ---

MS. DUDGEON: Well, I was going to beg you to

make yourself available.

THE COURT: Let me tell you, there is very little benefit to being the administrative Judge, but one of them is you don't do nonjury. I'm going to do the interpleader action because I think they need to get their monies and get on with this litigation so they can hire their lawyer. We can bring this thing to a conclusion this year, both cases, all right? We've got a term of nonjury, I think the 4th of this month, of June.

MS. DUDGEON: We could fit two motions in one week.

THE COURT: We may try to do that and then the following week hear this interpleader action and then if the motions to dismiss are denied, and he's granted, they're granted the funds, they can go get their lawyer and then we will have a status conference with their lawyer to determine ---

MS. DUDGEON: A scheduling order.

THE COURT: --- a scheduling order.

MR. SPENCER: Your Honor, we're trying to get the funds to obtain a lawyer, which they're --- one of the objections they raise is that we don't have an expert witness which requires fund from the lawyer, so they were trying to schedule it before we get the funds for

the lawyer. That's what they're trying to do, sir.

MS. DUDGEON: My case is separate from the interpleader. I'm just trying to get a motion that was filed in November.

THE COURT: Well, what is --- do they say this is a negligent malpractice case?

MR. BRUNER: Yes, Your Honor.

THE COURT: You all are alleging that they need an expert in order to go forward with ---

MS. DUDGEON: There are actually three separate grounds for a motion to dismiss. One being expert affidavits and two being ---

THE COURT: I don't know, is this a common knowledge case?

MS. DUDGEON: Two being --- absolutely not.

MR. BRUNER: The plaintiffs allege in the complaint that they were required to file an extra affidavit. They actually used the safe harbor provision in the frivolous claims proceedings act. We have alleged they failed to include the affidavit as required. We've alleged that they failed to initiate the case timely enough, and we've initiated an insufficiency and untimely service of process.

Your Honor, several of those grounds I don't know if they can be cured, but to the extent Mr. Spencer is

worried that his case will get kicked before the merits of the interpleader action is determined. We all know that just because there is a hearing on a Tuesday doesn't mean the judge rules on Tuesday. In a case like this it's certain possible that the judge may take ---

THE COURT: All right. So y'all have moved to dismiss on ---

MS. DUDGEON: Expert affidavits, statute of limitations, and service.

MR. SPENCER: Your Honor, we ---

THE COURT: Why don't you just have --- why don't you stay the expert affidavit until he gets his lawyer.

MS. DUDGEON: May I respectfully ask why, Your Honor?

THE COURT: Probably because if something had agreed to give them their $8,500 or $9,500, there would have been a lawyer and the lawyer would have been able to look at the case and say yeah or nay. The lawyer is not going to cure the statute of limitations problem. I don't care how good the lawyer is, if the time has run, the time has run.

MS. DUDGEON: Then, Your Honor, what else the purpose of the statute? I mean...

THE COURT: I don't know what the purpose of the statute is. I wasn't up there when they passed the statute, but ---

MS. DUDGEON: To avoid (unintelligible).

MR. BRUNER: Your Honor, the reason why ---

THE COURT: Then I'll just hold off on scheduling your motions for a while.

MR. BRUNER: I don't know that it's something to cure, is the point.

THE COURT: I don't know whether it is or not, but at least they have a lawyer that might say Mr. Spencer, unfortunately, you don't have an expert and didn't have one when you needed one and I can't help you.

MS. DUDGEON: Your Honor.

MR. BRUNER: I'm just saying that, respectfully, Your Honor, that they have had plenty of time to go talk to lawyers and we all know there are two law school putting out lawyers in this state, now.

THE COURT: Mr. Bruner, they haven't had a dime because we've being sitting up here arguing about $9,500, apparently. It should have been resolved a year ago.

MS. DUDGEON: Your Honor, are you proposing that we have a motion to dismiss on all grounds except the

expert ---

THE COURT: We'll hear from them, but it may be a month or two after they have the interpleader, the $9,500 case.

MS. DUDGEON: Your Honor I'll take what I can get. I'll argue whatever motion I'm allowed to argue as soon as I can.

THE COURT: And I hope to be there.

MS. DUDGEON: It's a good point, but I hope to be.

THE COURT: How about that, Mr. Spencer?

MR. SPENCER: Sir?

THE COURT: Schedule the hearing on the motion to dismiss on the grounds that one, you didn't file within the statute of limitations and two, deficient service, the issue of whether you had an expert, needed an expert or met the expert requirement, we will defer until you can get an attorney.

MR. SPENCER: Your Honor, I'd like to have an attorney on those issues and it --- the second part is that I've been waiting for their --- the ruling on the entry for default.

THE COURT: I told you that on the phone.

MR. SPENCER: You said that the affidavit was incorrect. We remedied the affidavit being incorrect,

and now you say that you're going to rule against it. Now, at that point in time we would amend that complaint and amend it to where we don't need an expert if we cannot afford an expert. Now they're arguing service on a timeliness basis when just a few minutes ago they were just saying that it doesn't matter if they miss a few days. Now they're arguing back that we missed a few days. I don't understand the dichotomy of two different standards.

THE COURT: I don't know what you mean, it doesn't matter if you miss a few days.

MR. SPENCER: They were talking about the twenty-one days that they failed to respond on a timely basis, doesn't matter. They're going to have a hearing.

THE COURT: Did you all read your affidavit of service, Mr. Spencer?

MR. SPENCER: Yes, I will reread the affidavit of service. The affidavit of service was ---

THE COURT: Did you compare it with the rule?

MR. SPENCER: No, sir. We understood that the affidavit of service was supposed to be sufficient that they used that affidavit of service in federal court and it was acceptable.

THE COURT: Well, I don't know what federal court

does.

Proof of service shall state the date and time of service, the name and address of such person served. None of which that affidavit stated. It had the person. That's all it had.

MR. SPENCER: Yes, sir, and they responded. They responded accordingly in their response. They responded two weeks late so they had to have been served. They responded, so they were served.

THE COURT: Well ---

MR. SPENCER: They didn't respond without being served.

THE COURT: Well, if they responded, they had to served, there's no doubt about it, but the question is when were they served?

MR. SPENCER: They were served on the 15th. They responded 20, 30 days later.

THE COURT: I don't know when they were served. Your affidavit was not sufficient. They appeared. We're not going to argue that. I've already ruled.

MR. SPENCER: Okay.

THE COURT: You all understand this, we're not ending this case on either side based on some silly technicality.

MR. SPENCER: Okay.

THE COURT: If you're entitled to recover funds, you're going to recover them because your claim says, I've been wronged and this is how you rectify that.

MR. SPENCER: Yes, sir.

THE COURT: You can't go back and undo what's been done. The only way we do it our system is somebody pays money.

MR. SPENCER: Yes, sir.

THE COURT: All right. Same way with them.

MR. SPENCER: Right.

THE COURT: At least anything that I'm involved in. All right. Let me look at it. I'll figure it out.

MS. DUDGEON: Your Honor, I'm sorry.

THE COURT: What I'm going to schedule is what I'm going to schedule.

MS. DUDGEON: Okay. But our goal, so I understand ---

THE COURT: We had a term of court, I think on the 18th of June, nonjury that would have been perfect for this, but Judge Benjamin decided she was going on vacation. They moved her and those rosters may have gone out. I don't know. The next term would be the end of June. I just am going to have to see what the schedule is, but I do know I'm going to hold this

hearing on the $9,500 early on, and if you all are agreeable to hold it sooner than that, I'm not going to be here the 28th or the 14th. I'll just have to figure it out, but we all know we're going to try to get those cases resolved this year.

MR. SPENCER: Yes, sir.

THE COURT: We need to put an end to them.

MR. SPENCER: Agreed.

THE COURT: We're going to --- Mr. Spencer, Ms. Santacroce, you'll need to start figuring in your minds whether you're represented or not represented, who it is you want to depose so that we can come up with a schedule at some point in time to move this case along. I would like to try to maybe try this case --- when was it filed?

MS. DUDGEON: It was filed in August. We answered in November because we saw that it had been filed.

THE COURT: All right. So August, it would be coming up on 12 months. I'd like to see about trying to get it tried by October. That would give y'all six months or so to do whatever discovery you need to do and put it all out there.

MS. DUDGEON: Your Honor, can we continue with discovery during this time?

THE COURT: Sure.

MS. DUDGEON: Or is it also ---

THE COURT: Sure.

MS. DUDGEON: Okay. I just wanted to confirm.

MR. BRUNER: Well, specifically, Your Honor, I know Mr. Spencer's health is an issue.

THE COURT: Well, he's not required to do anything until June 1st.

MR. BRUNER: Okay.

THE COURT: Other than come to a status conference. I asked the doctors if he can come to a status conferences and he said yes.

MR. BRUNER: Okay.

THE COURT: If you schedule depositions, my suggestion is, unless he consents to it, don't schedule more than one deposition a day, and I would spread them out to some extent. I know that costs you more money because you have to drive --- are you in Charleston?

MS. DUDGEON: Yes, Your Honor.

THE COURT: Then drive up from Charleston. I've talked to his doctor in Charleston, his doctor here, and they both are on the same page. I told them I would do what I could to help them, but apparently a big stressor in his life is this litigation, so there

is some benefit to moving on that and getting him beyond that stressor.

MS. DUDGEON: Your Honor, do you think there is any problem to at least getting a motion to disqualify, since that is first in my case on the list?

THE COURT: I'll get to that in a second.

MS. DUDGEON: I did present a proposed order, but I don't know if you've had a chance to review it. It's just ---

THE COURT: I didn't see it.

MS. DUDGEON: It was just from the status conference where you continued Mr. Spencer's outstanding motions and you granted --- I mean, you denied the motion to disqualify from Ms. Santacroce. You had asked that I prepare an order that walked through kind of the time line of events.

THE COURT: When did you send this?

MS. DUDGEON: Very late.

THE COURT: Very late?

MS. DUDGEON: Friday morning.

THE COURT: Well, see, I was out of town.

MS. DUDGEON: I know and I apologize for that, but if you can review it, I can make any changes. It's lengthy because you asked us to go through the

time line of what got us to that point.

THE COURT: All right.

MS. DUDGEON: We can file it by e-mail ---

MR. SPENCER: Your Honor, this order is premature.

THE COURT: I haven't seen it. I'll look at it.

MR. SPENCER: I know nothing about what her claims are on this.

THE COURT: My recollection is that I told somebody to prepare an order. Did you prepare an order setting forth the time frame that you didn't have any --- you didn't have any hearings before June 1st, all that stuff.

MR. SPENCER: Your Honor, this goes way beyond that.

THE COURT: I'll have to look about it.

MS. DUDGEON: We didn't know about June 1 at the time of preparing this order so that ---

MS. SANTACROCE: No, but you did tell me, Judge Barber, when we were speaking on the phone, that you were going to dismiss me out for the reasons of not showing up.

MS. DUDGEON: Just ---

MS. SANTACROCE: But you said before you were going to do anything, you were going to wait to see

what condition, what was going on with Mr. Spencer first.

THE COURT: Well, you know, it doesn't matter.

MS. DUDGEON: It was just motions to disqualify and you said it could actually be changed later.

THE COURT: If Mr. Spencer gets them disqualified, they're disqualified regardless of whether you do or don't. I assume you all have the same reason, right?

MR. SPENCER: Yes, sir.

THE COURT: All right.

MR. SPENCER: Your Honor, in the future, could you have opposing counsel submit these proposed orders to us in a timely basis so we have them and can ---

THE COURT: I don't know what that means, a timely basis.

MR. SPENCER: Well, I mean ---

THE COURT: Here is what I require, and I can tell you that it's not been done on either side. I know that Ms. Santacroce sends me all of the kinds of stuff and talks to my law clerk and nobody else is copied.

MS. SANTACROCE: Yeah, ever since you told me that on the phone, yes, sir, I did.

THE COURT: Well, here is --- we're not

having --- we're not being pen pals anymore.

MS. SANTACROCE: Nope, nope.

THE COURT: Anything your send to me, all these defendants have to be copied, all these lawyers have to be copied and I'm not reading anything else from now on if everybody doesn't get a copy of whatever is sent. If I ask somebody to send an order to me, I want the other parties to be copied before it's sent to me. I don't want it to go contemporaneously with me because I sit there and I read it and I think that's sounds pretty good, so I wait five days to see if somebody doesn't want me to sign it, and the other side takes eight days to notify me.

MS. DUDGEON: Yes, Your Honor.

THE COURT: So send it to the other side and then wait five days and send it to me so that both sides have the right to read it and then make an issue of it if you want to make an issue of it.

Ms. Santacroce, if you want to go back and look at --- I reviewed your discovery and your request and frankly, I mean, it just --- some of it just didn't maker any sense to me.

MS. SANTACROCE: I will recheck it, Your Honor. I'll recheck it.

THE COURT: You know, I'm happy to give you a

hearing, get on the telephone, and resolve all discovery disputes. Now, if you have a discovery dispute with them, Mr. Spencer doesn't need to be on the telephone for your discovery dispute.

MS. SANTACROCE: That's correct.

THE COURT: And if he has one, you don't need to be on the phone, but you know, let's make it meritorious on what we're trying to do. If you have a discovery dispute, then send an e-mail saying I'm having a discovery dispute. Send a copy to whatever lawyer it is and ask me to get it resolved. I will, within 48 hours, I will be on the telephone and we'll resolve it.

MS. SANTACROCE: Yes, sir, thank you.

THE COURT: You don't have to send a motion in forma pauperis because we're not doing in forma pauperis.

All right, here, this must be what you sent.

THE COURT: If the Stephens, if they're not in this case, Mr. Spencer if you're would get in touch with them and have them file something with the court saying that they're no longer interested in pursuing any claim.

MR. SPENCER: Yes, sir.

THE COURT: And have that notarized and send it

to me and then that takes them out of the being noticed, even if they're in default.

MR. SPENCER: Yes, sir.

THE COURT: That makes it easy, the least number of people we have involved in the case, the less difficulty there's going to be.

MR. SPENCER: Yes, sir.

THE COURT: All right. Anything else y'all want to tell me?

MS. DUDGEON: No, Your Honor.

THE COURT: Anything else y'all want to tell me?

MR. SPENCER: I was just curious about you had mentioned something about something that Irene had submitted in formal pauperis and you weren't going to allow that.

THE COURT: Yeah, she wanted to file a motion to compel in forma pauperis.

MR. SPENCER: And you wouldn't allow in forma pauperis?

THE COURT: No, we're not going to do that. I mean, I told her how to handle this stuff.

MR. SPENCE: Okay.

THE COURT: That's what they're entitled to again because of a technicality, but you know, every time you file a motion, I'm not going to have to go back

and review an in forma pauperis application. It's just not going to happen. Apparently in another three weeks y'all have lawyers, or a lawyer.

MR. SPENCER: Hopefully, yes, sir.

THE COURT: All right. Anything else?

MR. SPENCER: No, sir.

MS. SANTACROCE: No, sir.

THE COURT: And I emphasize to you, anything you --- any contact you have with me, the other side has to be involved. Don't call Rick. The only thing that we can talk to you about without that is scheduling. If we have something scheduled, then the you can let me know you're going to be there or not going to be there, whatever the situation is. If you feel like it's necessary that you be there, then I'll consider whether we change the hearing on your motion to dismiss --- I mean, motion to have them disqualified.

I mean, if he prevails, you prevail. If you want to come up and argue the motion, you're welcome to be here. If you don't want to, you don't have to. You won't be able to participate in that motion. He can say whatever he wants to say and if Mr. Spencer prevails, then he'll be out of the case, period. All right.

MS. SANTACROCE: Yes, sir.

THE COURT: All right. Are y'all submitting affidavits in support of your motions to disqualify then?

MR. SPENCER: Yes, sir.

THE COURT: Have you done that yet?

MR. SPENCER: We have, yes.

THE COURT: You have submitted all the affidavits?

MR. SPENCER: No, we've got more affidavits that we need to submit.

THE COURT: All right. Well, you need to get them in. We're going to hear that motion in June.

I can tell you the court just went through this on another case. We're not taking affidavits the day of the hearing.

MR. SPENCER: I haven't received anything from the other side.

THE COURT: You have the burden.

MR. SPENCER: Correct.

THE COURT: And they can't respond to something --- have they submitted any affidavits to you?

MS. DUDGEON: No, I don't believe any affidavits, just some documents.

MR. SPENCER: We haven't.

THE COURT: If you have any affidavits, I want them submitted five days before the hearing.

MR. SPENCER: Yes, sir.

THE COURT: All right.

MS. DUDGEON: Okay.

THE COURT: Okay. Anything else?

MS. DUDGEON: I don't think so.

THE COURT: Let's do our best to get this thing resolved.

MS. DUDGEON: Your Honor, would you take a review of that order? I apologize, I did not circulate it to Mr. Spencer beforehand. I apologize. If he has any changes to it, I'll be happy to consider them to incorporate them and submit to you again, or we can just put a time limit on his response. Whatever you would like to do.

THE COURT: You can review the order, get in touch with her if you have any problems, questions or concerns, get in touch with her, let her know. If you all can't resolve those, then whatever they are, send them to me.

MR. SPENCER: Yes, sir.

THE COURT: Copying her.

MR. SPENCER: All right.

THE COURT: All right.

MS. DUDGEON: Thank you.

THE COURT: All right. Anybody that I've asked to do an order, do it and get it to me within seven days. Again submit it to Mr. Spencer, Mr. Lail, and Ms. Santacroce.

MS. DUDGEON: Yes, sir.

THE COURT: All right. Have a nice day. Thank you for coming.

MS. SANTACROCE: Thank you, Judge.

THE COURT: Stay in touch.

MS. SANTACROCE: Your Honor.

THE COURT: Are there good days and bad days that you can or can't be up here when I'm scheduling this hearing on the $9,500? I assume you would like to be here for that day.

MS. SANTACROCE: I would like to, yes.

THE COURT: Are there certain days that are easier to get here than not?

MS. SANTACROCE: No sir. I don't have any money to drive up all the time either.

THE COURT: Well, we'll not --- we will attempt to minimize that. Actually, in some things I don't have a problem with your being on the telephone. The problem is we don't have a speakerphone here in the courtroom.

MS. SANTACROCE: I'll get you a speaker phone if that helps.

THE COURT: For the courthouse? Richland County would appreciate that.

MS. SANTACROCE: Okay. We'll get one. Can you get one for them?

And, Judge Barber, while everybody is here, I also have medical issues that prevents me sometimes from driving long distances. Now, I can send you a copy and I can send everybody a copy of ---

THE COURT: Well, I'm the one that needs --- I'm not continuing anything without some medical verification.

MS. SANTACROCE: No. I mean, I've got it. I'm just saying.

THE COURT: So you need to send it to me.

MS. SANTACROCE: Okay. I'm worried about ex parte, now. You know, so I'm trying to follow your rules.

THE COURT: Scheduling is something I can talk to individuals about.

MS. SANTACROCE: Okay.

THE COURT: I can't talk about the merits of the case, or anything about the case, but with scheduling, you're sick, she has another hearing somewhere else.

Mr. Bruner, his Monday is laid out.

MS. SANTACROCE: Yeah, I know.

THE COURT: But I can schedule it, but I mean, the thing is, if you know you have some medical problem that is going to confine you for a certain period of time, don't wait for the day of the hearing.

MS. SANTACROCE: Well, see sometimes it happens like at five, six o'clock and, you know.

THE COURT: This lady is driving up from Charleston and somebody is paying her a lot of money to do that.

MS. SANTACROCE: Well, I'll make every effort, Judge Barber.

THE COURT: All right. Thank you all.

CERTIFICATE OF REPORTER:

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

I, Karen Ambroziak, Official Court Reporter for the 5th Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing, prepared by Vicki Everhart, Transcriptionist, is a true, accurate complete Transcript of Record of the proceedings had and evidence introduced in the trial of the captioned cases, relative to appeal, in the Common Pleas Court for Richland County, South Carolina, on the 7th day of May, 2012.

Signed

October 17, 2012

Karen Ambroziak

Karen Ambroziak, Court Reporter

My Commission Expires: 04/01/14

RECEIVED
MAR 11 2016
SC Court of Appeals

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 11, 2016, the document described below, was(were) served on all parties of record in this case by mailing a copy, by US mail or by courier.

Documents Served: **CORRECTED JOINT APPENDIX**

Parties Served:

Desa Ballard, Esquire
Ballard and Watson, Attorneys at Law
PO Box 6338
West Columbia, SC 29171

James B. Spencer, *Pro Se*
Suite 183
7001 Saint Andrews Road
Columbia, SC 29212