



YCR LAW

Russell G. Hines
Partner

Direct Dial: (843) 720-5488
Direct Fax: (843) 579-1327
Email: rhines@ycrlaw.com

December 22, 2020

VIA EMAIL ONLY

The Honorable James E. Chellis
Dorchester County Master-in-Equity
Dorchester County Courthouse
5200 E. Jim Bilton Blvd.
St. George, SC 29477
jchellis@dorchestercountysc.gov

Re: David Hannemann v. William McFarland
Case No.: 2016-CP-18-1812
Appellate Case No.: 2020-001029
YCR File No.: 15508-20150492

RECEIVED

Dec 22 2020

SC Court of Appeals

Dear Judge Chellis:

Attached (as **Exhibit A**) please find a copy of the order filed yesterday in the Court of Appeals on Mr. McFarland's petition for review of Your Honor's order granting Mr. Hannemann's motion for a rule to show cause. The order provides for a stay of Your Honor's August 13, 2020, summary judgment order conditioned on the delivery of "the documents in question" to Your Honor by the end of today.

This (i.e., this letter and the documents transmitted herewith) is Mr. McFarland's good faith attempt to comply with yesterday's order.¹ Given the informative (as opposed to legally operative) nature of the documents now transmitted (which consist of bank statements, *see* attached **Exhibits B-2017, B-2018, B-2019, and B-2020**, not, for instance, contracts or conveyances, where possession of the originals, as opposed to copies, is significant) and the fact that the documents are being

¹ I must however note, out of an abundance of caution, Mr. McFarland does so subject to and without waiving any right he may have to seek further review of the order. Candidly, I am unsure whether the order is subject to further review. Rule 241(d)(7), SCACR, provides that "[a]ny party aggrieved by the decision of the lower court, the administrative tribunal, *or an individual judge* or justice may petition under this Rule for a review of that decision." (emphasis added). On the one hand, the order is only signed by one individual judge of the Court of Appeals, Judge Konduros, I believe; but on the other hand, Her Honor's signature is accompanied by the words "FOR THE COURT." Accordingly, it may be that there is no further avenue for review of the order. My point here, however, is simply that, to the extent there is such an avenue for review, or even clarification, of the order, transmission of this letter/its attachments is not intended to waive Mr. McFarland's access to the same.

VIA EMAIL ONLY

The Honorable James E. Chellis
Dorchester County Master-in-Equity
December 22, 2020
Page 2 of 3

transmitted not only to Your Honor but also, via copy of this correspondence to opposing counsel, to Mr. Hannemann, as well as the fact of the limited time allowed by yesterday's order, I hope the instant electronic transmission will be satisfactory. Of course, to the extent it is not, I must humbly beg your pardon and request leave to have hard copies delivered to your chambers tomorrow morning.

Yesterday's order speaks in terms of the delivery of "the documents in question" to Your Honor by day's end. At its outset, by way of background, the order seems to link such documents to the "transfer [of] certain documents and information . . . including, [(1)] all of the HOA's books and records in [Mr. McFarland's] possession, [(2)] information on any person or entity holding other books or records belonging to the HOA as [Mr. McFarland] [i]s aware, and [(3)] bank statements for the preceding seventy-two months," as required by Your Honor's August 13, 2020, summary judgment order. Ultimately, however, the order confirms "that [Your Honor] [is] the authority for the identification of the items [Mr. McFarland] was ordered to transfer in the August 13, 2020 order for the purpose of compliance with this order." To the extent that the instant letter reflects any misunderstanding as to the identification of such items, besides offering my sincere apologies, I would also very much appreciate Your Honor's clarification regarding the same.

Regarding "[(1)] all of the HOA's books and records in [Mr. McFarland's] possession," besides the attached bank statements (which specifically correspond to item (3) below), Mr. McFarland is uncertain what else he should transfer pursuant to the August 13, 2020, summary judgment order. Obviously, Mr. McFarland is in possession of copies of the governing documents (e.g., the Declaration, the Amended Declaration, HOA's Articles of Incorporation, the HOA Bylaws, and the subdivision plat referenced in the Declaration and Amended Declaration), but so, too, is Mr. Hannemann, and, besides that, all these documents are filed in the public record, as are, for instance, the recorded HOA liens.

Moreover, in the course of not only this lawsuit but also the "Original HOA Litigation" (i.e., Case No. 2012-CP-18-2583) the parties have already exchanged voluminous discovery. For that matter, the Original HOA Litigation included an order (a copy of which is already of record in this case as Exhibit 23 to Defendant's Revised Supplemental Filing Regarding Cross-Motions for Summary Judgment, which is attached hereto for ease of reference) that—while granting summary judgment against Messrs. Hannemann and Morris on their claim for conversion—required Messrs. Hannemann and Morris to be provided with an accounting of Mr. McFarland's handling of HOA finances. As reflected in the attached correspondence from attorney Jason Daigle to counsel for Messrs. Hannemann and Morris in the Original HOA Litigation (*see* **Exhibit C**), an accounting has already been provided through May 31, 2015. Further still, when Mr. McFarland sent assessments and budgeting information/documentation to the HOA membership, it was sent to Mr. Hannemann (or his counsel), as reflected, for example, in the part of the aforementioned Exhibit 23 that includes assessment/budgeting documentation from June 1, 2017, to May 31, 2021. Additional material sent to Mr. Hannemann in October of this year is attached as **Exhibit D**.

Regarding "[(2)] information on any person or entity holding other books or records belonging to the HOA as [he] was aware, Mr. McFarland is not aware of any such person or entity,

VIA EMAIL ONLY

The Honorable James E. Chellis
Dorchester County Master-in-Equity
December 22, 2020
Page 3 of 3

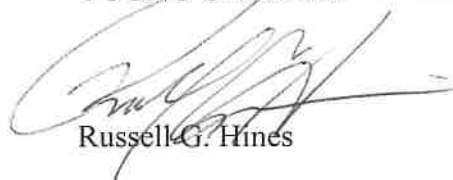
besides perhaps, as noted above, the public offices (e.g., the Office of the South Carolina Secretary of State, the Dorchester County Register of Deeds, the Dorchester County Courthouse) wherein various HOA-related documents (e.g., the governing documents, liens, records of legal proceeding) are on file.

Regarding, “[(3)] bank statements for the preceding seventy-two months,” attached as Exhibits B-2017, B-2018, B-2019, and B-2020 are, to the best of Mr. McFarland’s knowledge, copies of all of the HOA bank statements in Mr. McFarland’s possession.

With best wishes and kindest regards, I am

Sincerely,

YOUNG CLEMENT RIVERS, LLP



Russell G. Hines

RGH/

cc: Below with attachments
James B. Hood, Esquire (james.hood@hoodlaw.com)
Virginia A. Rogers, Esquire (via email only: virginia.rogers@hoodlaw.com)

Below without attachments
South Carolina Court of Appeals (ctappfilings@sccourts.org)

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

Appeal from Dorchester County
Court of Common Pleas

James E. Chellis, Master-in-Equity

Case No. 2016-CP-18-01812
Appellate Case No. 2020-001029

RECEIVED

Dec 22 2020

SC Court of Appeals

David Hannemann,
as President of the Live
Oak Village Homeowner's
Association, Inc.,

Respondent,

v.

William McFarland,

Appellant.

PROOF OF SERVICE

YOUNG CLEMENT RIVERS, LLP
Russell G. Hines (SC Bar No. 72100)
25 Calhoun Street, Suite 400
Charleston, South Carolina 29401
P.O. Box 993 (29402)
(843) 720-5488

Attorney for Appellant

I, Russell G. Hines, of Young Clement Rivers, LLP, attorney for Appellant, hereby certify that the **Letter from Appellant's Counsel to the Dorchester County Master-in-Equity dated December 22, 2020** was served on Respondent on December 22, 2020, via email (see attached) to Respondent's following counsel of record:

James B. Hood, Esquire
Virginia Rogers Floyd, Esquire
Hood Law Firm, LLC
P.O. Box 1508
Charleston, SC 29402
Attorneys for Respondent

Respectfully submitted,
YOUNG CLEMENT RIVERS, LLP

By: s/Russell G. Hines
Russell G. Hines (SC Bar No. 72100)
Attorney for Appellant

Charleston, South Carolina

December 22, 2020

From: [Hines, Russell](#)
To: ["James Chellis"](#); [Becky Stevens](#); ["Jamie Hood"](#)
Cc: [Virginia Floyd](#); [Meagan Kizer](#); [Becky Stevens](#)
Subject: (Email 1 of 6) RE: Hearing Request - Rule to Show Cause in Hannemann v. McFarland, 2016-CP-18-01812
Date: Tuesday, December 22, 2020 4:57:18 PM
Attachments: [image007.png](#)
[image008.png](#)
[image009.png](#)
[image001.png](#)
[RGH ltr. to J. Chellis d. 12-22-20.pdf](#)
[Ex. A -- Court of Appeals Order filed 12-21-20.pdf](#)
[Ex. C -- Daigle Letter to Lydia Davidson June 2015.pdf](#)
[Ex. D -- LOVHOA accounting 2020.pdf](#)

Your Honor,

Attached please find correspondence regarding the above-referenced matter.

Because of the size of the email attachments, I'm going to break it up over 6 emails.

If there are any questions or concerns please let me know.

Russell G. Hines
YOUNG CLEMENT RIVERS, LLP
www.ycrlaw.com
25 Calhoun Street, Suite 400
Charleston, South Carolina 29401
P.O. Box 993 (29402)
Phone: (843) 720-5488
Fax: (843) 579-1327
Email: rhines@ycrlaw.com

RECEIVED
Dec 22 2020
SC Court of Appeals



From: James Chellis <JChellis@dorchestercountysc.gov>
Sent: Monday, December 14, 2020 5:13 PM
To: Becky Stevens <BStevens@dorchestercountysc.gov>; Hines, Russell <RHines@ycrlaw.com>; 'Jamie Hood' <james.hood@hoodlaw.com>
Cc: Virginia Floyd <virginia.floyd@hoodlaw.com>; Meagan Kizer <MKizer@dorchestercountysc.gov>; Becky Stevens <BStevens@dorchestercountysc.gov>
Subject: RE: Hearing Request - Rule to Show Cause in Hannemann v. McFarland, 2016-CP-18-01812
Importance: High

Gentlemen,

With Mr. Hines' intervening motion filed, it will have to be heard before proceeding to the RTSC. Mr.