

February 27, 2014

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*Via U.S. Mail*

Honorable R. Bryan Harwell  
U.S. District Court of South Carolina  
401 West Evans Street  
Florence, South Carolina 29501

Re: Southern Holdings Inc., et al. v. Horry County et al.  
Case No. 4:02-cv-01859-RBH

Dear Judge Harwell:

We are counsel of record for John Rakowsky in an action pending in Richland County State Court (Rakowsky v. Falgione, Case No. 2008-CP-40-6656). The case is an interpleader action in which Mr. Rakowsky is attempting to pay the settlement proceeds (and remaining litigation costs) from the referenced Southern Holdings case into court so the proceeds can be distributed as the court determines proper.

Judge Doyet A. "Jack" Early heard motions earlier this week and has stayed the adjudication of the interpleader of the settlement proceeds because of the recent filings in the Southern Holdings case by the *pro se* plaintiffs in that case, James Spencer and others, who continue to seek to set aside the 2007 settlement. The latest filing by Mr. Spencer, Docket No. 775, continues to dispute the finality of the settlement, notwithstanding your prior rulings that the settlement is final despite the individual plaintiffs' "change of heart". (Order dated July 3, 2007, Docket No. 510; *see also*, Orders dated August 13, 2008, Docket No. 669 and January 14, 2008, Docket No. 578). The finality of the settlement has also been established by order from the Fourth Circuit Court of Appeals. (COA Docket No. 07-1612, Order of Dismissal dated December 3, 2007; COA Docket No. 08-1955, Order of Dismissal dated January 22, 2010).

The ECF docket report page shows the referenced case was "closed" on May 9, 2007, but there have been numerous filings since that time which appear to indicate some matter

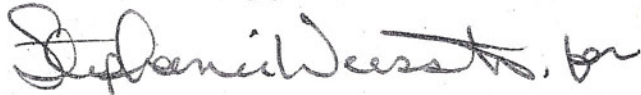
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remains open (although I realize it is not) and the Richland County court is hesitant to take jurisdiction over the settlement proceeds if the Federal Court matter addressing those proceeds is still unresolved. Therefore, on behalf of Mr. Rakowsky, we are inquiring what, if anything, we can do to assist in bringing the referenced case to a definitive conclusion so that Mr. Rakowsky's state court action can proceed.

With warm personal regards, I am,

Sincerely yours,

A handwritten signature in black ink, appearing to read "Desa Ballard, Esquire". The signature is written in a cursive, somewhat stylized font.

Desa Ballard, Esquire  
desab@desaballard.com

c: Via U.S. Mail  
Andrew F. Lindemann, Esquire  
Michael G. Sribnick, Esquire  
James Spencer, Pro Se  
John Rakowsky, Esquire (via Email)  
Adrian Falgione, Esquire (via Email)