

STATE OF SOUTH CAROLINA )  
 COUNTY OF CLARENDON )  
 WILLIAM R. SIMPSON, JR. )  
 Husband, )  
 Vs. )  
 BECKY H. SIMPSON, )  
 AND WADE INGLE, )  
 Wife. )

IN THE FAMILY COURT FOR THE  
 THIRD JUDICIAL CIRCUIT

DOCKET NO.'S: 2004-DR-14-315 &  
 2004-DR-14-243

**ATTORNEYS' FEE AFFIDAVIT**

PERSONALLY APPEARED BEFORE ME, James T. McLaren and Jan L. Warner, who, each being duly sworn, swear and depose that if called as witnesses in the above-entitled action they would truthfully and accurately testify as follows:

**QUALIFICATIONS OF COUNSEL**

1. We are the attorneys representing the Wife.

**AS TO MR. McLAREN:**

2. I am a partner in the law firm of McLaren & Lee of Columbia, South Carolina.
3. I graduated from the University of South Carolina School of Law in 1976, and was admitted to the South Carolina Bar in November of 1976. I am also admitted to practice before the Federal Courts of the District of South Carolina; and before the Fourth Circuit Court of Appeals. I have been in private practice since November of 1976.
4. I am a member of various professional organizations, principally in the area of family law. These organizations include the South Carolina Bar, the South Carolina Trial Lawyers Association, the American Bar Association, and the American



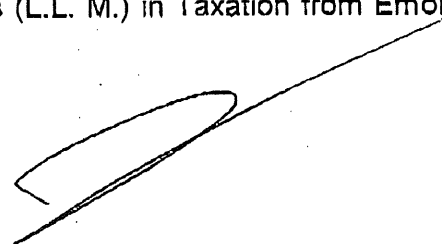
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Trial Lawyers Association. I have served as Chairman (and in other capacities) of the Family Law Section of the South Carolina Trial Lawyers Association. I have served as Chairman (and other capacities) of the Family Law Section of the South Carolina Bar. I have served on Council to the Family Law Section of the South Carolina Bar. I am a member of the Practice and Procedure Committee of the South Carolina Bar, particularly on subcommittees concerned with family law matters. I am also a member of the Family Law Sections of the American Bar Association and the American Trial Lawyers Association. I have been a member of the Fee Dispute Board of the South Carolina Bar for the Fifth Judicial Circuit. I have spoken at various Continuing Legal and Judicial Education Seminars and other functions on family law topics. I am a Fellow in the American Academy of Matrimonial Lawyers and President of the South Carolina Chapter for the year 2001-2002. I am named in the 1993-2006 editions of The Best Lawyers in America under the Family Law designation for South Carolina. I am a certified as both a Matrimonial Arbitrator and a Matrimonial Mediator by the American Academy of Matrimonial Lawyers. I have received the "AV" designation by Martindale Hubbell.

5. My practice primarily involves litigation in matrimonial disputes. Approximately 95% percent of my current case load involves matrimonial disputes.

**AS TO MR. WARNER**

6. I am a partner in the law firm of Warner Payne & Black, LLP. I received my A.B. and J.D. degrees from the University of South Carolina (1965 and 1968) and obtained a Master of Legal Letters (L.L. M.) in Taxation from Emory University School



of Law in Atlanta, Georgia in 1986, and have been a member of the South Carolina Bar since 1968.

7. I am admitted to practice in all state courts, Federal District Courts in South Carolina, the Fourth Circuit Court of Appeals, and the United States Supreme Court.

8. I am a Certified Fellow of the American Academy of Matrimonial Lawyers and a member of the National Academy of Elder Law Attorneys. I belong to many bar and other professional associations and organizations. I have been trained and qualified as a matrimonial arbitrator by the American Academy of Matrimonial Lawyers and serve in that capacity. My practice is limited to matters affecting the family.

9. I co-author two weekly newspaper columns, FlyingSolo, that deals with divorce issues and appears in newspapers throughout the United States via the Knight-Ridder Tribune News Service, and NextSteps that is syndicated by United Media.

#### LEGAL AUTHORITIES

10. We incorporate Rule 407 of the South Carolina Appellate Court Rules, Rule 1.5 of the Rules of Professional Conduct, and further call the attention of the Court to the holdings in Nienow v. Nienow, 268 S.C. 161, 232 S.E.2d 504 (1977), Atkinson v. Atkinson, 279 S.C. 454, 309 S.E.2d 14 (S.C. App. 1983); EDM v. TAM, 307 S.C. 471, 415 S.E. 2d 812 (1992); Sherman v. Sherman, 307 S.C. 280, 414 S.E. 2d 809 (S.C. App. 1992); and Glasscock v. Glasscock, 304 S.C. 158, 403 S.E. 2d 313 (1991), concerning the factors and criteria which should be considered in setting of attorney fees. We rely upon the discretion of this Court in determination of the amount of fees based, among other things, upon the Court's file, the Court's knowledge of the litigation



between these parties, which reflects nature, extent and difficulty of the services rendered, the time necessarily devoted to the case, the beneficial results accomplished, the fact that there is no contingency compensation in domestic relations cases, the professional standing of counsel, and fees customarily charged in this area for similar legal services.

11. The undersigned are informed and believe that the Family Court is authorized by statute to order the payment of suit money, including attorney fees, to either party in a divorce action South Carolina Code of Laws Ann. Section 20-3-120, 130 (1985); Miller v. Miller 280 S.C. 314, 313 S.E. 2d 288 (1984).

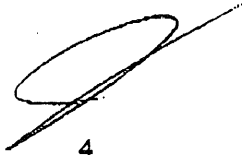
#### HISTORY OF MARRIAGE AND LITIGATION

1. Becky H. Simpson (Wife) married William R. Simpson, Jr. (Husband), on September 3, 1989 when she was 17 years of age. She graduated from high school after her marriage.

2. Two (2) children were born of this marriage, William Robert Simpson, III on July 30, 1991 and Lynda Kaitlin Simpson on June 26, 1995, who are presently in the custody of Husband.

3. Early in the marriage he rubbed her face in chicken excrement to teach her who was boss, and the relationship continued in that fashion since that time. He pushed her down the stairs causing her to fracture her vertebrae.

4. At the time of the marriage, Wife had Six Thousand Dollars (\$6,000.00) in a CD that she inherited. Husband had no assets. Throughout the marriage, Husband caused Wife to be totally dependent upon him, refused to allow her to go to nursing



school, berated her, intimidated her, manhandled her, placed undue stress upon her, and made her life miserable.

5. Despite her efforts to become educated and employed, Husband refused to be supportive of her in order to keep her under his thumb and dependent upon him financially and otherwise. When the younger child went to kindergarten, Wife worked at Clarendon Hall, first in the lunchroom and thereafter as a preschool teacher for three year olds. Her employment resulted in not only income that went toward the marriage, but also a fifty (50%) percent reduction in the children's tuition.

6. In early 2004, before the agreement, Wife's emotional state required treatment due to Husband's continuous intimidation and placing stress on her. Wife was prescribed a number of medications by her physician.

7. Husband terminated Wife from the family health insurance, telling her she was "breaking him" financially because of her needs for treatment and medication. He refused to pay her doctor's bills.

8. Wife was forced to go to the Mental Health Clinic in Manning, South Carolina where she was placed on a low-income program to get free medication because Husband would not pay for the same. Previously, for the same reasons, her family physician had been giving her samples of medication because Husband has failed and refused to provide insurance and funds for her to secure necessary treatment and medication.

9. Husband took control of both of the children and turned them against Wife, just as Husband had directed Wife to turn the children against their paternal



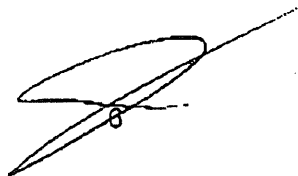
grandmother, Daisy Simpson, after she brought a matrimonial action against the Husband's father in this Court, Docket Number 03-DR-14-128.

10. The situation between Wife and Husband reached intolerable limits on or about the 27<sup>th</sup> or 28<sup>th</sup> of July, 2004. Since Wife had no money and Husband refused to provide funds to her, she was unable to secure independent counsel. Husband told Wife his attorneys, who not only represent him in this action, but also represented him and his father in the Daisy Simpson action, would prepare the agreement.

11. Therefore, while they were still living together in the same house as Husband and Wife, Husband caused Wife to go to his lawyer's office on or about July 30, 2004, knowing she was dependent, had no money with which to hire an attorney, was medicated and vulnerable, and would sign anything to be out from under his control. Husband and his counsel knew that Wife was vulnerable because when Daisy Simpson's lawyers attempted to depose her in 03-DR-14-128, Husband's attorneys secured a physician's statement stating that Wife could not appear at deposition on at least two occasions. By orders of April 21, 2004 in the Daisy W. Simpson v. William R. Simpson, Sr. case, Wife was prohibited from being deposed based upon her condition.

12. Despite the foregoing, Husband and his lawyer met Wife and her grandfather at Husband's lawyer's office and, for three and a half (3.5) to four (4) hours, provided various drafts of agreements to Wife for her to sign without full financial disclosure.

13. Wife had no knowledge of Husband's holdings, income, or debts, even though she contributed her services and funds and efforts to the relationship since they married on September 3, 1989. All assets were titled in Husband's name.

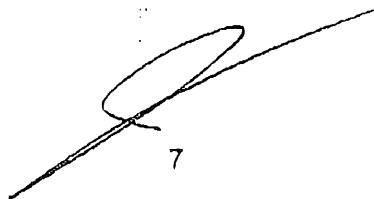
A handwritten signature in black ink, appearing to be a stylized name with a large loop and a horizontal line extending to the right.

14. Wife had no money with which to hire an attorney, and was never told that if she brought an action against Husband, based upon her economic circumstances, the Court could award her not only temporary support and alimony but also temporary and permanent attorney's fees and suit money.

15. As of July 30, 2004, Wife had never seen a financial statement or financial declaration of her Husband. While she signed tax returns, she did not understand the same and was not given copies. Wife did not know her Husband's income, and did not know the extent of his holdings at the time the agreement was signed on July 30, 2004 or when the Court held the approval hearing on August 3, 2004.

16. The agreement called for Wife to have use of the home for one year; for Husband to have custody of the son; wife to have custody of the daughter; wife to receive a defeasible interest in a piece of property next to the marital home; for wife to receive Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) in equitable division payable over a number of year; and child support. Wife's "equitable share" was less than five (5%) percent of Husband's worth.

17. At the approval hearing on August 3, 2004. Husband's financial declaration of August 3, 2004 was provided to Wife for the first time. Husband reported an income of One Thousand Seven Hundred Thirty Dollars and Seventy-Six Cents (\$1,730.76) and asserted expenses of Four Thousand Two Hundred Fifty Dollars (\$4,250.00) per month, including Seven Hundred Ninety Dollars (\$790.00) for a house payment, Seven Hundred Fifty Dollars (\$750.00) for child support and temporary



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alimony, and Four Hundred Dollars (\$400.00) for private school. These three (3) entries alone total and exceed Husband's asserted monthly income.

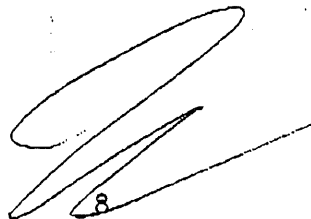
18. Wife and Husband physically separated on or about August 3, 2004 (not on July 27, 2004) after Husband had Wife go to his attorney's office, without representation and financial disclosure, to sign a property and support agreement that was first approved by Judge McFaddin, and then was set aside based on Wife's Motion.

19. In September of 2004, Wife hired the undersigned to represent her in an action to set aside the August 20, 2004 Order approving the July 30, 2004 Agreement and to secure her a just result. Because Husband continued to harass her and refused to make payments, Wife left the marital home, leaving the children with Husband because she had no friends or place to keep them.

20. On Wife's behalf, we filed and served a Notice of Motion and Motion to Vacate Order and Set Aside Agreement on September 21, 2004, with a hearing date was scheduled for December 28, 2004 before Judge McFaddin who vacated the August 20, 2004 Order and set aside the underlying Agreement by Order dated January 6, 2005.

21. After Wife's Motion was filed, Husband took children to "Helping Hands" to get an evaluation for custody purposes even though the event complained of occurred months before Husband agreed for Wife to have custody of the daughter.

22. On September 23, 2004, Husband brought an action for divorce on the ground of Wife's adultery that took place after the separation.





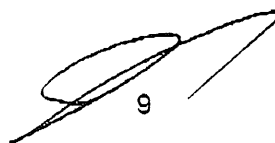
23. A temporary hearing was held on January 7, 2005. Judge Marion Myers issued an Order dated February 8, 2005 which, among other things, dealt with temporary custody, visitation, and child-related relief; gave Husband the temporary exclusive use and possession of the marital residence; required Husband to immediately pay Wife Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00) as an advance against equitable division; restrained the parties from disposing of marital assets and from personal contact; appointed a Guardian *ad litem*; granted discovery; and granted the paternal grandmother's Motion to Intervene.

24. On January 21, 2005, the undersigned received a Hearing Notice from Husband's counsel setting this case for May 2, 5, and one-half day on May 6, 2005 without prior notice and were required to move for a continuance.

25. On February 11, 2005, Husband filed an application for Judge Myer's to clarify his Temporary Order dated February 8, 2005, alleging that the award of Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) was improper due to Wife's alleged misconduct. Husband did not pay the Thirty Seven Thousand Five Hundred Dollars (\$37,500.00).

26. A Rule to Show Cause was issued by Judge Turbeville on February 15, 2005 which required Husband to appear on March 11, 2005 to show cause why he should not immediately comply with the Court's Temporary Order dated February 8, 2005 and to pay Thirty Seven Thousand Five Hundred Dollars (\$37,500.00), and why he should not be held in contempt.

27. On February 22, 2005, Husband filed a Notice of Motion and Motion to Amend his Pleadings seeking to have Wade Ingle made a party in the action; to require



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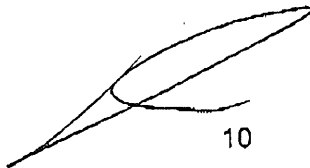
that Wife take a pregnancy test; and to require that Wife be required to submit to a hair follicle drug test. We filed a Return to Husband's Motion to Amend Pleadings on March 9, 2005, asserting Husband's motions were frivolous, were meant to embarrass and annoy Wife, were without good faith basis, and should not be granted. We also sought costs and fees.

28. We also filed a Notice of Motion and Motion to Appoint an appraiser.

29. On March 9, 2005, Judge McFaddin signed another Rule To Show Cause directing Husband to show cause why he had not complied with the Order dated February 8, 2005 by which he was restrained from disposing of marital assets, and why he should not be held in contempt and punished accordingly by reason of his efforts to auction off certain marital property.

30. On March 9, 2005, Judge Myers issued an Order Denying Husband's Motion to Reconsider his Order of February 8, 2005. Husband appealed this Order and Judge Myers' February 8, 2005 Order to the South Carolina Court of Appeals, and Husband refused to pay the Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00).

31. A hearing was held on March 11, 2005 before the Honorable Jeffrey Young on the two (2) Rules to Show Cause wherein Wife sought a finding of contempt against Husband for (A) not paying her the Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00); (B) for not complying with the restraining order relating to the disposition of assets with regard to an auction Husband scheduled for March 12, 2005. Wife also sought an award of attorneys' fees as required by the Temporary Order of February 8, 2005.



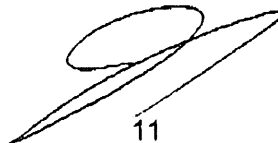
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32. Judge Young issued an Order of Contempt and Enforcement on March 22, 2005 finding Husband in civil contempt and sentencing him to serve sixty (60) days in the Clarendon County Corrections Center unless he purged himself of contempt by delivery of a cashier's check for Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00). The auction scheduled for March 12, 2005 did not take place.

33. Judge Young issued an order on March 24, 2005 wherein he ordered Husband to pay to Wife, through her counsel, the sum of Three Thousand Three Hundred Forty Dollars (\$3,340.00) as attorneys' fees and costs.

34. After a hearing on March 23, 2005, Judge Myers issued a Bifurcated Decree of Divorce granting Husband a divorce based upon Wife's adultery which occurred subsequent to the separation of the parties in August 2004. This Order stated that it could not be construed as making any finding relative to the issues of fault of either party as to the cause of the marital breakup as may affect equitable division, custody, visitation, counsel fees, suit money, or any other issues that remained open. All other issues were held open and preserved pending a final order of this Court after a hearing on the merits. The hearings scheduled for May 3, 5, and 6, 2005 were continued.

35. On April 13, 2005, Husband filed a contempt action alleging that Wife was in contempt of the February 8, 2005 Order because she had failed to pay the taxes and insurance on a 1996 Chevrolet Suburban and she had failed to provide to Husband with her physical and mental health records. An Order for Rule to Show Cause was issued by Judge Turbeville on April 12, 2005 and a hearing was scheduled for May 6, 2005. Wife filed a Return denying the material allegations.



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36. On May 18, 2005, Judge Young issued an order denying Husband's request for contempt, finding Wife's actions not to be willful, and finding that Husband had unclean hands.

37. After a hearing on Husband's Notice of Motion and Motion to Amend Pleadings, Judge Kinard Johnson issued an Order on April 22, 2005 allowing Husband to amend his pleadings to implead Wade Ingle as a party to the action and requiring that Wife submit a pregnancy test at a doctor of Husband's choice. The Court denied Husband's application to have Wife submit to a drug test.

38. On May 6, 2005, Wife filed a Return to Husband's Request for Privileged Medical Records, citing the Rules of this Court, the Health Insurance Portability and Accountability Act of 1996, and the Alcohol, Drug Abuse, and Mental Health Accountability Act of 1986.

39. On May 16, 2005, Husband's counsel filed a Notice of Motion and Motion for Relief and a Notice of Motion and Motion to Compel discovery. Wife's counsel filed a Return to Husband's Notice of Motion and Motion to Compel on July 26, 2005.

40. On July 27, 2005, Husband's Motions to Compel and For Child Support were heard by Judge Young who issued an Order dated August 9, 2005 requiring Wife to sign the necessary documents to release her medical records and required Wife to pay a total weekly payment of Fifty-Seven Dollars and Seventy-Nine Cents (\$57.79) to Husband as child support.

41. We filed a Request for Final Hearing on August 23, 2005.

42. On September 1, 2005 Husband's counsel filed a Notice of Motion and Motion for Protective Order from Husband giving a deposition on September 21, 2005.



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Wife's counsel moved to dismiss because the Motion was sent to them by facsimile which is not sufficient service.

43. On September 7, 2005, Judge Young issued a Qualified Protective Order directing access to Wife's protected health information, but prohibiting Husband from using or disclosing the information for any purpose other than those directly raised to this litigation and any retained medical expert of Husband; Thereafter said information would be either destroyed or maintained within the attorney's closed file at the end of this litigation.

44. On January 3, 2006, Husband's counsel served Notice to Quash a Subpoena from Wife's counsel to the Bank of Clarendon as not requesting information relevant to the distribution of marital property. Husband's counsel withdrew the motion.

45. In addition to the foregoing, addendum hereto sets forth discovery accomplished in this case and the difficult issues.

#### TIME AND COSTS

\* The undersigned are informed and believe that during this case the time that has been spent, as set forth more fully hereafter, was necessary to the protection of our client's interests and in order to make as concise and clear a presentation to the Court as possible in connection with the issues now before the Court.

\* James T. McLaren, in accordance with the time and expense records of the offices of McLaren & Lee, Attorneys, which are maintained on a daily basis, state to the Court that the following time expenditures have necessarily been made through and including the completion of the merits hearing and follow up work relating to same through February 16, 2005 (including estimates for trial).



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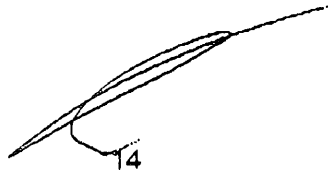
- A. 19.00 hours by James T. McLaren through February 13, 2006;
- B. 16.00 hours Estimated Trial Time and Preparation
- C. 3.75 hours by Paralegal; and,
- D. Costs: \$82.71

\*. Jan L. Warner, in accordance with the time and expense records of the offices of Warner, Payne & Black, LLP, which are maintained on a daily basis, states to the Court that the following time expenditures have necessarily been made through and including the completion of the merits hearing and follow up work relating to same through February 16, 2006 including estimates for trial time.

- A. 190.55 hours by Jan L. Warner through February 13, 2006;
- B. 25.00 hours Estimated Trial Time and Preparation
- C. 185.25 hours by Associate Attorneys, through February 13, 2006;
- D. 20.00 hours for Trial; and,
- D. 82.45 hours by Paralegals.

\*. Our normal and customary hourly rates range from \$375.00 to \$500.00 per hour for senior attorney time; \$175.00 to \$250.00 for associates, and from \$75.00 to \$125.00 per hour for paralegal time. We believe that \$400.00 per hour for attorney time, \$200.00 per hour for associates, and \$100.00 per hour for paralegal time is appropriate to this case in light of the issues involved, the complexity of proof, and the magnitude of the case.

\*. Upon the undersigned being retained, Wife agreed to pay a retainer of Ten Thousand Dollars (\$10,000.00), and expense deposit of Five Thousand Dollars



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(\$5,000.00) and to pay for attorney time at the rate of \$400.00 per hour and paralegal time at the rate of \$100.00 per hour, plus costs. However, she had no money.


\*. Wife has incurred separate fees and costs associated with experts who Mark Hobbs, CPA, Mr. Hobb's fees and costs to date total in excess of Eight Thousand Dollars (\$8,000.00). W. Burke Watson, Jr. was appointed by the Court and his fees should be paid by Husband.

\*. The following is an accurate summary of all time and costs incurred and including the completion of the merits hearing and follow up work relating to same through February 13, 2006, including an estimate of trial preparation and trial time on February 14 and 16, 2006:

|   |                      |
|---|----------------------|
| 35.00 attorney hours by James T. McLaren<br>at \$400.00 per hour (including trial preparation and<br>and trial 2/14/06 and 2/16/06)                 | \$14,000.00          |
| 215.55 senior attorney hours by Jan L. Warner<br>at \$400.00 per hour (including trial preparation<br>and trial 2/14/06 and 2/16/06)                | \$86,220.00          |
| 205.25 associate attorney hours at \$200.00 per hour<br>by Carrie A. Warner per hour (including trial preparation<br>and trial 2/14/06 and 2/16/06) | \$41,050.00          |
| 3.75 paralegal hours by McLaren & Lee paralegals<br>at hours at \$100.00 per hour:  | \$375.00             |
| 82.45 paralegal hours by Warner, Payne & Black<br>paralegals at \$100.00 per hour:  | \$8245.00            |
| Costs incurred by McLaren & Lee, Attorneys:   | \$ 82.71             |
| Costs incurred by Warner, Payne & Black, LLP:   | \$6,107.11           |
| Total:  | \$ <u>156,079.82</u> |
| Fees and costs by Mark Hobbs, CPA:  | <u>\$8000.00</u>     |



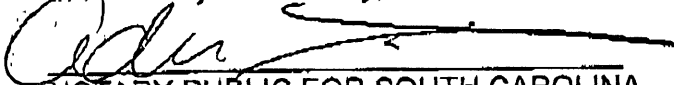
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JAMES T. McLAREN

SWORN to and subscribed before me  
this 13<sup>th</sup> day of February, 2006.



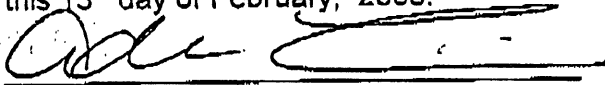
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: May 2, 2015



JAN L. WARNER

SWORN to and subscribed before me  
this 13<sup>th</sup> day of February, 2006.



NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: May 2, 2015



## **ADDENDUM**

### **DEPOSITIONS**

In addition to the foregoing work and services, the following depositions were taken to deal with the issues in this case:

1. Deposition of William Simpson, Jr. on October 10, 2005
2. Deposition of Otis Prince on April 6, 2005
3. Deposition of Leanne Greene on August 18, 2005
4. Deposition of Daisy Simpson on July 25, 2005
5. Deposition of Becky Simpson on March 24, 2005
6. Deposition of Wade Ingle on March 24, 2005
7. Deposition of Robin Prosser on December 28, 2005

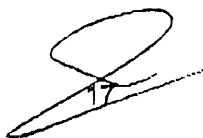
### **DISCOVERY REQUESTS**

**The following discovery was submitted by Wife to Husband:**

1. Defendant's First Request to Produce to Plaintiff dated February 9, 2005
2. Defendant's First Set of Interrogatories dated February 9, 2005
3. Defendant's Answers to Plaintiff's Requests for Admission dated March 2, 2005.
4. Defendant's Responses to Plaintiff's First Set of Interrogatories dated March 14, 2005.
5. Defendant's Responses to Plaintiff's Production Requests dated March 14, 2005.
6. Defendant's Supplemental Requests to Produce to Plaintiff dated March 29, 2005.
7. Defendant's Requests for Admission to Plaintiff dated September 16, 2005.

**The following discovery was submitted by Husband to Wife:**

1. Plaintiff's Request for Admission dated February 4, 2005
2. Plaintiff's First Set of Interrogatories To Defendant dated February 10, 2005
3. Plaintiff's Request for the Production, Inspection, and Copying of Document's and Things dated February 11,
4. Plaintiff's Response to Defendant's First Request for Production dated February 28, 2005.
5. Plaintiff's Response to Defendant's First Set of Interrogatories
6. Plaintiff's Response to Defendant's Request for Admission dated September 22, 2005



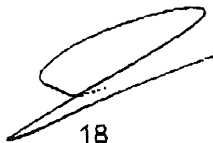
7. Plaintiff's Answer to Defendant's Supplemental Request to Produce dated April 15, 2005.

### UNUSUAL AND DIFFICULT ISSUES

1. While reporting not more than \$18,000.00 in any year during this 15-year marriage and not paying any income taxes on the same, Husband has accumulated \$1,000,000 in marital assets.

2. Clearly, not only has he had the ability to pay for Wife's health insurance and the \$37,500.00 awarded to her by the Court in the February 8, 2005 Temporary Order, but this Court has also found that it has been extremely difficult to determine both Simpson, Sr.'s and Husband's income due to the "confusing" and untruthful ways in which they operate Simpson Farms, LLC. The Final Decree issued by Judge Turbeville seriously calls into question the credibility of Husband and his father due to the fraudulent practices in which they both have engaged that continue to this day. As will be shown by the evidence, after Wife left in January 2004, Husband spent more Ten Thousand Three Hundred Dollars (\$10,300.00) in cash for landscaping and concrete work at the former marital home.

3. It was necessary to secure the services of a Certified Public Accountant due to the fact that Husband's initial financial declaration of August 3, 2004 recited monthly gross and net income of One Thousand Seven Hundred Thirty Two Dollars (\$1,732.00) and expenses of Four Thousand Two Hundred Fifty Dollars (\$4,250.00) together with assets approaching Seven Hundred Thousand Dollars (\$700,000.00) excluding farm equipment, vehicles, crops in the ground, crops in the bin, boats, and the like.



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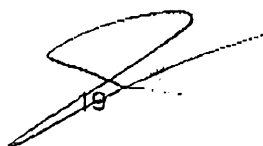
4. On the other hand, Husband's financial declaration dated July 2005 recited gross and net monthly incomes of Eight Thousand Three Hundred Fifty Dollars (\$8,350.00) and expenses of Three Thousand Eight Hundred Seventy-Nine Dollars (\$3879.00) with assets and liabilities "to be determined."

5. Throughout this case, Husband has been untruthful about his income and his assets, and has been at a loss to explain where the money comes from to pay his \$4,250 per month in expenses with a monthly income of \$1,730.76, including being able to pay for his children at a private school and the purchase of a brand new truck for himself valued at or around \$40,000.00.

6. As found by Judge Turbeville in his December 31, 2004 Decree in which Husband was a party, Husband, like his father, has difficulty telling the truth. Based upon the prior testimony of the Certified Public Accountant and the testimony to be provided at this trial, Husband's acquisition of in excess of One Million Dollars of assets between 1989 and 2004 is virtually impossible given the fact that husband never reported sufficient income.

7. Husband's interest in Simpson Farms, LLC was the result of "sweat equity"—that is, husband working for One Twenty Dollars (\$120.00) per week (and therefore not paying income taxes on the true value of his services) in return for property having a net value of Two Hundred Ninety-Nine Thousand Eight Hundred Twenty-Four Dollars (\$299,824.00) as found by Judge Turbeville this finding was not appealed by Husband.

8. Each year, husband and his father "pool" all of their crops, Husband's father sells the same, and, according to findings of Judge Turbeville, distributes funds

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as the parties need them. Making it virtually impossible to determine the income or expenses of either husband or his father.

9. Husband also recently purchased a new Ford Truck, has a boat, sends both of the children to private school, and lives an affluent lifestyle.

10. There is no way that income reported by Husband in anyway is sufficient to support the lifestyle or acquisition of assets by Husband.

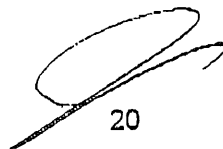
11. In addition to issues dealing with unreported income, Wife, was forced to leave the marital home and the children because she lacked funds. At present, wife is medication free as, having removed the stress of husband from her life, she is productive and is currently employed as shown on her financial declaration.

12. The issue of visitation has been difficult in this case due to the fact that despite the Order with regard to visitation, Husband has not always brought the children on a timely basis or on the dates.

13. Husband has not allowed wife access to secure personal property, including property inherited by her from her parents (both of whom are deceased) and her grandmother. This includes china and other valuable items.

14. Husband has taken wife's handmade Christmas and other seasonal decorations and put them in the back of a truck which has been exposed to the elements for more than year.

15. Wife has not been given the opportunity to go through all of the boxes that husband has packed up or go through the residence to secure her personal property to which she is entitled. Husband was aware that wife had no place to store the same and



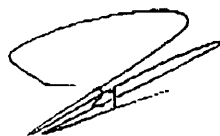
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husband has withheld access to and storage of her personal property preferring to leave it outside or otherwise exposed to the elements.

In a prior action, *Daisy W. Simpson v. William R. Simpson, Sr., et al*, William R. Simpson, Jr., husband herein, was impleaded as a party Defendant.

In that action, the trial judge made the following findings and rulings with regard to William R. Simpson Jr., which have not been appealed by William R. Simpson, Jr.:

1. PAGE 15, PARAGRAPH (v) I find as a fact that the credibility of the Defendant's Simpson, Jr., and Simpson, Sr. are subject to significant question.
2. PAGE 20, PARAGRAPH 55....The Court can only conclude that the Defendants (Simpson, Sr. and Simpson, Jr.) intentionally resisted discovery and any effort to accurately disclose the exact nature of their holdings.
3. PAGE 14, PARAGRAPH (r) Based upon the swapping of money and property between Defendants Simpson, Sr. and Simpson, Jr., the discovery process has been significantly extended and confusion has reigned supreme.
4. PAGE 22, PARAGRAPH 61. Simpson, Jr. testified that each year he turns all of his crops over to Simpson, Sr. who sells all crops, collects all monies from the sales, and places the proceeds into his Simpson Farm account. From this account, Simpson, Sr. pays all the farm expenses and then divides the remaining balance with Simpson, Jr. in a non-descript manner. Simpson, Jr. testified that, on occasion, Simpson, Sr. loaned him money and, when he did not pay it back, Simpson, Sr. would repay the loan from the proceeds of the sale of the next year's crops. Simpson, Jr. confirmed the Court's concern that no one could tell from year to year who will get what, because he and his father sit down



every year and "work out" what the respective families needs may be. I find that Simpson, Sr. and Simpson, Jr. are and have been shifting income to suit their purposes so that it is practically impossible to trace.

5. PAGE 6, PARAGRAPH 21. It has been very difficult for the Court to determine the income, expenses, and wealth of these parties.

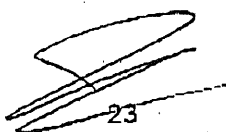
6. PAGE 7, PARAGRAPH 28. Defendant Simpson, Jr. admitted that he relied pretty much on his father to determine his income in any year. He admitted that his monthly expenses exceeded his income by more than \$2,500.00, but he could not explain how he paid the same.

7. PAGE 7, PARAGRAPH 29. Each year, Simpson, Sr. and Simpson, Jr. pool their crops, which are then sold by Simpson, Sr. The proceeds are deposited into Simpson, Sr.'s bank account. Simpson, Jr. admitted that the division of the crop sales proceeds is based upon which of them needed what that year, all of which is controlled by Defendant Simpson, Sr. Neither of them followed any corporate formalities nor did they pay debts or distribute income based on their purported 50-50 shares in the LLC.

8. PAGE 12, PARAGRAPH (i) It is now clear to the Court that the Husband's income and assets greatly exceed that which has been reported on his Financial Declarations....Husband, on a discretionary basis, determines the amount of distributions to his son from the farming operation each year. These distributions vary from year to year and are without any type of written agreement or supervision. Thus, Husband can and has adjusted his income and his son's as he deemed fit.

9. PAGE 13, PARAGRAPH (j) I find that Simpson, Sr. has obfuscated his true income and assets. For example, there are significant checks written to third persons, including his real estate partners, as "loans" which do not appear to have been repaid, and the funds that have been distributed to Simpson, Jr., (referred to as "loans" or "advances") have been expensed by Husband. . . .

10. PAGE 13, PARAGRAPH (o) The Financial Declaration of Simpson, Jr. is also before the Court (Plaintiff's Exhibit 68). According to the testimony of Mark Hobbs, CPA, and the exhibits, Simpson, Jr. never had adjusted gross income of more than \$18,000.00 annually. Mr. Hobbs testified that Simpson, Jr. had improperly expensed more than \$14,000.00 used to purchase real property on his income tax return. Simpson, Jr.'s Financial Declaration reflects income of \$1,730.76, per month, more than he has reported, after taxes, on any prior income tax return. His expenses are \$4,250.00 monthly. Simpson, Jr.'s assets shown on the 3<sup>rd</sup> page of his August 3, 2004 Financial Declaration show real estate values of \$272,900.00 and other property of \$300,835.00. His total indebtedness for his home, farm, land, and equipment loans is \$125,000.00. The addendum to his Financial Declaration was prepared by Ms. Amos using Simpson, Sr.'s values and reflects total LLC assets of \$1,325,164.00, of which Simpson, Jr. owns his \$662,582.00. The LLC liabilities according to his Financial Declaration are \$530,224.00, one-half of which he allocates to himself. He asserts that his total interest in the LLC is \$397,470.00. There is no breakdown of the "liabilities".



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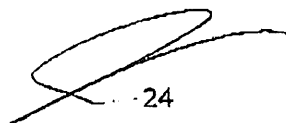
11. PAGE 14, PARAGRAPH (p) The addendum to Simpson, Jr.'s Financial Declaration asserts LLC real estate values at \$937,500.00, farm equipment at \$209,000.00, and the balance in investments, checking accounts, and other assets including crops, while the only evidence before the Court is that the LLC holds only real estate.

12. PAGE 14, PARAGRAPH (q) Simpson, Sr. testified that he purchased property with cash so that sellers could avoid taxation. He also testified he did not know the value of his assets. He admitted that he made decisions of how much to pay his son from the sale of the crops. Thereby making the consideration shown on the face of deeds unreliable.

13. PAGE 21, PARAGRAPH 58. According to uncontradicted testimony of William C. Coffey, a corporate attorney retained by Simpson, Sr. to form the LLC, Simpson, Sr. and Simpson, Jr. did not follow his instructions about the operation of the LLC. . . .

14. PAGE 22, PARAGRAPH 59. Defendant Simpson, Jr. testified both in deposition and at the trial that he worked on the farm from 1981 to 1989 at a reduced wage of \$120.00 per week (and sometimes did not make anything at all) in order to get an interest in the property. Simpson, Jr. testified that he could not put a value on his hard work and sweat, but he farmed the marital land so he could earn an interest in the property....

15. PAGE 22, PARAGRAPH 60. Despite the fact that Simpson, Sr. and Simpson, Jr. denied the existence of a joint bank account, the evidence before the Court reflects that a joint account was opened on July 19, 1999, and



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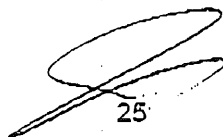


that remains in existence today. At the time the account was opened, \$139,349.00 was deposited by Defendant Simpson, Sr. and \$115,000.00 was written out of the account during the first month. Simpson, Jr. testified that this money belonged to his father, not to him. Defendant Simpson, Sr. did not report this account on his sworn Financial Declaration, and any balance as of the date of filing is marital property

16. PAGE 23, PARAGRAPH 62. I also find as a fact that it is literally impossible for me to determine by which means the Defendants Simpson divided income because Simpson, Sr. makes the ultimate decision of who gets what amount each year.

17. PAGE 23, PARAGRAPH 63. Mr. Hobbs testified that Simpson, Sr. sometimes calls distributions to his son as "loans" and sometimes as "payments". When he claims the same to be payments, Simpson, Sr. deducts them.

18. PAGE 23, PARAGRAPH 65. I find that the transfer by Simpson, Sr. to Simpson, Jr. of 50% ownership in Simpson Farms LLC was either income to Simpson, Jr. (which was not reported by Simpson, Jr.) or a gift (no gift tax return was filed). Based upon Simpson, Jr.'s testimony, he was paid for taking less salary, and, therefore, the value of the transfer should have been reported on his income tax returns. This was corroborated by Defendant Simpson, Sr.....The manner in which Simpson, Sr. and Simpson, Jr. resolve their tax issues is between them, their accountant, and the Internal Revenue Service



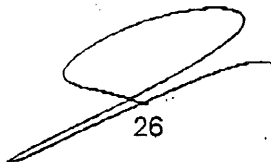
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19. PAGE 24, PARAGRAPH 67. Ms. Linhardt's testimony regarding the confusion in dealing with assets of Simpson, Sr. and Simpson, Jr. was corroborated by Simpson, Sr.'s business partner, Robert Jonte, also his banker. Mr. Jonte testified that based on the way that he and Mr. Simpson did business when they acquired property, it would be impossible to determine from the public records what Simpson, Sr. owned and what he owed on any particular property.

20. PAGE 28, PARAGRAPH 78. Through Plaintiff's Exhibit # 33, Mr. Hobbs' produced a summary of Simpson, Sr.'s general ledger that was prepared by Mr. Gibbons. As of December 31, 2002, Simpson, Sr.'s records showed advances or loans to Simpson, Jr. of \$44,100.00, yet there were no 1099's issued to Simpson, Jr. On Simpson, Sr.'s income returns, these advances were deducted from his income as miscellaneous expenses. On Simpson, Jr.'s tax return, there was no entry for the \$44,100.00.

21. PAGE 29, PARAGRAPH 79. According to Mr. Hobbs, the large "miscellaneous expenses" portion of the general ledger heightened his "fraud alert". He testified that if loans were forgiven, this was the equivalent of a gift, but he saw no gift tax returns being filed.

22. PAGE 29, PARAGRAPH 80. Although Simpson, Jr. testified that loans to him by Simpson, Sr. in one year might be offset against crop sales the next, Mr. Hobbs found nothing to support that. For 2003, there were more than \$50,000.00 in "expenses" paid by Simpson, Sr. to Simpson, Jr., and more than \$40,000.00 in loans to Tidwell and others. Simpson, Sr.'s general ledger reflects



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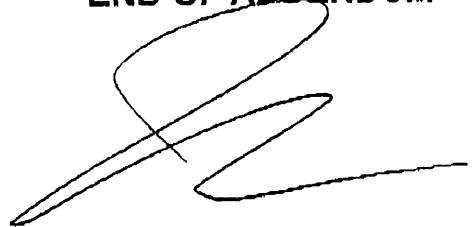
a \$78,500.00 account receivable that is not shown on his Financial Declaration, and I find receivable to be an asset of the marriage.

23. PAGE 29, PARAGRAPH 82. Plaintiff's Exhibit # 38, prepared by Mr. Hobbs shows a \$64,509.00 cost basis of Simpson, Jr.'s equipment as reported on his tax returns; however, Simpson, Jr. reported that he owned \$150,000.00 in equipment on his financial statement to banks.

24. PAGE 29, PARAGRAPH 83. Plaintiff's Exhibit # 39, also prepared by Mr. Hobbs, compares Simpson, Jr.'s financial statements given to banks from 1999 through March of 2003. The value of farm equipment increased from \$24,000.00 in 1999 to \$35,000.00 in 2000, from \$41,000.00 in 2001 to \$150,000.00 in 2002, and stayed at \$150,000.00 each year thereafter. According to Mr. Hobbs, there is no evidence of sufficient income or indebtedness in Simpson, Jr.'s tax returns that explain how he acquired this farm equipment.

25. PAGE 30, PARAGRAPH 84. According to Mr. Hobbs, Simpson, Jr.'s home mortgage in 1999 at \$53,900.00 had been paid down to \$23,933.00 in 2003. This reduction was not justified by the income reported on his tax returns.

**END OF ADDENDUM**

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