

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
NORTHERN DIVISION

SECURITIES AND EXCHANGE  
COMMISSION

Plaintiff,

v.

ARTHUR LAMAR ADAMS AND  
MADISON TIMBER PROPERTIES, LLC

Defendants.

Case No. 3:18-cv-252

Hon. Carlton W. Reeves, District Judge

Hon. F. Keith Ball, Magistrate Judge

**ORDER SETTING HEARING**

Before the Court is the Motion for Approval of Proposed Settlement with Butler Snow LLP; Butler Snow Advisory Services, LLC; and Matt Thornton (collectively the “Butler Snow Parties”) filed by Alysson Mills, in her capacity as the court-appointed receiver (the “Receiver”) for Arthur Lamar Adams (“Adams”) and Madison Timber Properties, LLC (“Madison Timber”).

The motion asks the Court to approve the Receiver’s proposed settlement with the Butler Snow Parties.

The proposed Settlement Agreement [**Exhibit A**] includes a bar order, sometimes called a channeling injunction, which would bar any person or non-regulatory entity<sup>1</sup> from separately asserting claims against the Butler Snow Parties (and the other persons described in paragraphs 8

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<sup>1</sup> To be clear, the proposed settlement does not affect the U.S. Attorney’s Office, the F.B.I., the S.E.C., or the Mississippi Secretary of State, among other law enforcement bodies. The Receiver does not purport to recommend any settlement that would interfere with their separate work, if any.

and 12 of the proposed Order Approving Settlement) arising out of, in connection with, or relating to Adams and/or Madison Timber. Those claims instead would be “channeled” through the Receivership Estate.

The Court, mindful that victims of the Madison Timber Ponzi scheme have a substantial interest in the Receiver’s claim against the Butler Snow Parties and the proposed resolution of them, agrees with the Receiver that interested parties should have an opportunity to be heard before the proposed settlement is approved. The Court therefore **ORDERS** as follows:

1. The Court shall hold a hearing on the Motion for Approval of Proposed Settlement on February 23, 2021 at 1:30 p.m. The hearing shall be via Zoom unless the Court advises otherwise. The Receiver shall obtain a link for the hearing from the Court and post it on her website at least 24 hours in advance of the hearing. The Receiver shall publicize any changes to the hearing’s date, time, or place on her website. Interested parties shall check the Receiver’s website for any changes.
2. Interested parties who wish to submit comments or objections shall do so at least five days prior to the Court’s hearing, either by submitting the comments or objections to the Court or to the Receiver, who shall submit them to the Court.
3. Interested parties who wish to address the proposed settlement at the hearing shall be given an opportunity to be speak.
4. The Receiver will provide via U.S. Mail the Order Setting Hearing, the proposed Settlement Agreement, the proposed Order Approving Settlement, and instructions for submitting comments or objections to all interested parties, as defined in the Settlement Agreement, and to publicize the same on her website and in any forthcoming Receiver’s Report.

The notice and hearing contemplated by this order shall give interested parties a full and fair opportunity to be heard and shall give the Court the benefit of their opinions as the Court assesses the proposed settlement's merits. The notice and hearing contemplated by this order is efficient and desirable under the circumstances, given the particular interests at stake.<sup>2</sup>

**SO ORDERED**, this the 11th day of January, 2021.

s/ Carlton W. Reeves  
UNITED STATES DISTRICT JUDGE

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<sup>2</sup> The Court takes no position at this time on whether notice or hearing is appropriate prior to the Court's approval of possible future settlement with other parties.