

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF MISSISSIPPI
NORTHERN DIVISION

ALLYSON MILLS, IN HER CAPACITY
AS RECEIVER FOR ARTHUR LAMAR
ADAMS AND MADISON TIMBER
PROPERTIES, LLC

Plaintiff,

v.

TRUSTMARK NATIONAL BANK;
BENNIE BUTTS; JUD WATKINS;
SOUTHERN BANCORP BANK; and
RIVERHILLS BANK,

Defendants

Case No. 3:19-cv-941-CWR-FKB

Arising out of Case No. 3:18-cv-252
*Securities and Exchange Commission v.
Arthur Lamar Adams and Madison
Timber Properties, LLC*

Hon. Carlton W. Reeves, District Judge

**DEFENDANT SOUTHERN BANCORP BANK'S
ANSWER AND AFFIRMATIVE DEFENSES TO COMPLAINT**

Defendant Southern Bancorp Bank (“Southern”), for its answer and affirmative defenses to the Complaint of Alysson Mills, in her capacity as the court-appointed receiver for Arthur Lamar Adams and Madison Timber Properties, LLC (the “Receiver”), states:

AFFIRMATIVE DEFENSES

1. **Failure to State a Claim:** The Complaint as a whole, and each of its counts, fails to state a claim against Southern upon which relief may be granted.
2. **Lack of Standing:** The Receiver does not have standing to sue Southern in this action, and therefore the claims against Southern should be dismissed. Further, to the extent the Receiver purports to assert the claims of individual investors, the Receiver has failed to obtain adequate, sufficient, or enforceable

assignments of such claims, and therefore those claims should be dismissed.

3. *In Pari Delicto*: The doctrine of *in pari delicto* bars this suit, and therefore the claims against Southern should be dismissed.

4. Wrongful Conduct Rule: The “wrongful conduct rule” bars this suit, and therefore the claims against Southern should be dismissed.

5. Severance / Misjoinder: The Receiver’s claims against Southern Bancorp should be severed from those against the other defendants and/or tried separately. Further, to the extent the Receiver purports to assert the claims of individual investors, all or some of the claims in the Complaint (and absent, but indispensable parties) have been misjoined. This action should therefore be severed or dismissed due to misjoinder of both claims and parties. The misjoinder of claims is so severe and inappropriate that it rises to a level which will deny Southern certain state and federal constitutional protections, including the right to due process and a fair trial. *See* U.S. Const. amends. V & XIV, § 1; Miss. Const. § 14.

6. Laches / Unclean Hands: All or some of the claims in the Complaint are barred by the doctrine of laches and/or unclean hands.

7. Illegality / Fraud / Intervening or Superseding Cause: All or some of the claims in the Complaint are barred by the doctrines of illegality, fraud and/or intervening or superseding cause.

8. *Ex Dolo Malo Non Oritur Actio*: All or some of the claims in the Complaint may be barred by the doctrine of *ex dolo malo non oritur actio*.

9. Remoteness Doctrine: The Receiver’s claims are barred by the

Remoteness Doctrine.

10. Damages Not Reasonably Determined: The Complaint does not state a claim upon which relief can be granted because it seeks damages (for which Southern is not liable) as to which neither the amount of damage nor the identity of persons entitled to receive them can be reasonably determined. Specifically, the amount of any such damages cannot be determined except by speculation, conjecture and guesswork. See U.S. Const. amends. V & XIV, § 1; Miss. Const. § 14.

11. Conduct of Others / No Proximate Cause: The conduct of others, including other parties to this and other suits, the investors, and Lamar Adams, was the proximate cause of any loss for which the Receiver now seeks to recover. Southern's conduct was not the proximate cause of any such loss. Southern affirmatively pleads the provisions of Miss. Code Ann. § 85-5-7.

12. Failure to Join Indispensable Parties: To the extent the Receiver purports to assert the claims of individual investors, the Receiver has failed to join all real parties in interest and/or all indispensable parties, including but not limited to, all such investors.

13. Defenses Applicable to Individual Investor Claims: To the extent the Receiver purports to assert the claims of individual investors, the Receiver stands in the shoes of those individual investors and is thus subject to all defenses as would be available against such individual investors.

14. Lack of Privity: All or some of the claims in the Complaint are barred by lack of privity of contract.

15. Applicable Terms and Conditions of Bank Agreements: Southern asserts all rights and defenses under the subject depository agreements and/or any other applicable agreements between Southern and its customer(s) with regard to products and services provided.

16. Assumption of Risk: Southern states that the Receiver's claims are barred by assumption of risk. Fed. R. Civ. P. 8(c)(1).

17. Contributory Negligence: Southern states that the Receiver's claims are barred by contributory negligence. Fed. R. Civ. P. 8(c)(1).

18. Recoupment and Setoff: Southern pleads recoupment and setoff.

19. Release, Settlement and Accord and Satisfaction: All or some of the claims in the Complaint are barred by general contract principles, including without limitation, release, settlement and accord and satisfaction.

20. No Reasonable Reliance: All or some of the claims in the Complaint are barred by lack of reasonable reliance.

21. Constitutional Due Process: The Receiver's claims violate Southern's protections under the United States Constitution and the Mississippi Constitution of 1890, including without limitation Southern's rights to due process under the Fifth and Fourteenth Amendments to the United States Constitution and Article 3, Section 14 of the Mississippi Constitution of 1890.

22. Conditions Precedent: All or some of the claims in the Complaint are barred by the failure of conditions precedent.

23. Failure to Plead with Specificity: The Complaint should be dismissed

because its averments do not meet the specificity requirements of Fed. R. Civ. P. 8, 9(b) & 9(f).

24. Estoppel / Merger / Waiver / Discharge: All or some of the claims in the Complaint may be barred by the doctrines of estoppel, merger, waiver or discharge.

25. Champerty and Maintenance: All or some of the claims in the Complaint are barred by contamination through champerty and maintenance.

26. Failure to Mitigate: All or some of the claims in the Complaint are barred by a failure to mitigate damages.

27. Repudiation and/or Anticipatory Breach: All or some of the claims in the Complaint are barred by the repudiation and/or anticipatory breach of the depository agreements.

28. Double Recovery: Some or all of the claims in the Complaint are barred because they would constitute an impermissible double recovery.

29. No Actual Knowledge: Southern states that the Receiver's claims of civil conspiracy and aiding and abetting against Southern fail because the facts alleged by the Receiver, if true, would not establish that Southern had actual knowledge of the alleged Ponzi scheme or that Southern provided substantial assistance in connection with the Ponzi scheme.

30. Good Faith and Reasonable Equivalent Value: Southern states that the Receiver's fraudulent transfer claim is barred because Southern acted in good faith and provided reasonably equivalent value in exchange for the transfers it is alleged to have received. Miss. Code. Ann. § 15-3-101 et. seq.

31. Defenses Asserted by Others: Southern adopts and incorporates all affirmative defenses asserted by other defendants in this case to the extent those defenses apply to the claims against Southern.

32. Reservation of Right to Assert Other Defenses: Southern reserves the right to assert any additional defenses which may arise as discovery progresses or otherwise in the course of this litigation.

33. General Denial: Southern specifically denies any allegation in the Complaint not specifically admitted.

ANSWER

AND NOW, having set forth its affirmative defenses, Southern answers the averments of the Complaint, paragraph by paragraph, as follows:

INTRODUCTION¹

The first three paragraphs of the complaint under the heading “INTRODUCTION” are un-enumerated and do not contain any allegations of facts related to Southern. To the extent a response is required, Southern denies the allegations contained in the first three un-enumerated paragraphs.

JURISDICTION AND VENUE

1. Paragraph 1 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the cited statutes confer jurisdiction over the subject matter of this case because this is not a case to enforce a liability or

¹ These headings mirror the headings used by the Receiver in the Complaint and are included to assist the Court and for informational purposes only. To the extent any headings in the Complaint contain allegations of facts, they are denied.

duty created by those subchapters. Southern denies the cited statutes support venue in the Southern District of Mississippi for this action.

2. Paragraph 2 contains no allegations of fact related to Southern. To the extent a response is required, Southern acknowledges pendency of the referenced action and states that the document referenced in paragraph 2 speaks for itself.

3. Paragraph 3 contains no allegations of fact related to Southern. To the extent a response is required, Southern disputes the cited legal authority supports the proposition that this Court has personal jurisdiction over Southern.

4. Paragraph 4 contains no allegations of fact related to Southern. To the extent a response is required, Southern states that the document referenced in paragraph 4 speaks for itself.

PARTIES

The Receiver

5. Paragraph 5 contains no allegations of fact related to Southern. To the extent a response is required, Southern disputes the cited legal authority gives the Receiver standing or any basis to pursue a claim against Southern.

6. Paragraph 6 contains no allegations of fact related to Southern. To the extent a response is required, Southern disputes the referenced order of appointment gives the Receiver standing or any basis to pursue a claim against Southern.

7. Paragraph 7 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies it is part of the alleged Ponzi scheme

perpetrated by Adams and Madison Timber and Southern denies the Receiver has standing or any basis to pursue a claim against Southern.

8. Paragraph 8 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to whether any Madison Timber investors have assigned their claims to the Receiver. Further, Southern denies the Receiver or any Madison Timber investors have standing or any legal basis to pursue a claim against Southern.

Defendants

9. Paragraph 9 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

10. Paragraph 10 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

11. Paragraph 11 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

12. Southern denies that it is a Mississippi corporation as alleged in

paragraph 12 of the Complaint. Southern admits it does business in Mississippi.

13. Paragraph 13 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

MADISON TIMBER

14. Paragraph 14 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

15. Paragraph 15 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

16. Paragraph 16 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

17. Paragraph 17 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

18. Paragraph 18 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

19. Paragraph 19 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

20. Paragraph 20 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

21. Paragraph 21 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

22. Paragraph 22 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

23. Paragraph 23 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information

sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

24. Paragraph 24 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

25. Paragraph 25 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

26. Paragraph 26 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

TRUSTMARK

27. Paragraph 27 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

28. Paragraph 28 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies

them.

29. Paragraph 29 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

Bankers and friends

30. Paragraph 30 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

31. Paragraph 31 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

32. Paragraph 32 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

33. Paragraph 33 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

34. Paragraph 34 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

35. Paragraph 35 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

Madison Timber, suspicions and cover

36. Paragraph 36 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

37. Paragraph 37 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

38. Paragraph 38 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

39. Paragraph 39 contains no allegations of fact related to Southern. To

the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

40. Paragraph 40 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

41. Paragraph 41 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

42. Paragraph 42 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

43. Paragraph 43 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

44. Paragraph 44 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies

them.

45. Paragraph 45 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

46. Paragraph 46 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

47. Paragraph 47 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

2016

48. Paragraph 48 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

49. Paragraph 49 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

50. Paragraph 50 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

51. Paragraph 51 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

52. Paragraph 52 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

53. Paragraph 53 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

54. Paragraph 54 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

Indicia of fraud

55. Paragraph 55 contains no allegations of fact related to Southern. To

the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

56. Paragraph 56 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

57. Paragraph 57 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

58. Paragraph 58 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

59. Paragraph 59 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

60. Paragraph 60 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies

them.

61. Paragraph 61 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

62. Paragraph 62 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

63. Paragraph 63 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

64. Paragraph 64 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

65. Paragraph 65 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

AFTER TRUSTMARK

66. Southern admits Adams had bank accounts with Southern. Southern is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 66 of the Complaint and, therefore, denies them.

67. Southern admits Adams was a customer of Southern no later than October 2016. Southern denies the Receiver's legal conclusions that Southern "enabled and sustained" the alleged Ponzi scheme and that Southern "facilitated" financial transactions on which Madison Timber relied. Southern is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 67 of the Complaint and, therefore, denies them.

68. Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 68 and, therefore, denies them.

FNBC

69. Paragraph 69 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

70. Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 70 and, therefore, denies them.

71. Paragraph 71 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information

sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

Southern Bancorp

72. In response to paragraph 72 of the Complaint, Southern admits Adams had signatory authority on several accounts including one in the name of Madison Timber Properties, LLC and two or more accounts bearing the name of Lamar Adams. Southern denies the remaining allegations contained in Paragraph 72.

73. Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 73 and, therefore, denies them.

74. Because the Receiver has failed to specifically identify the “three Southern Bancorp accounts” referenced in paragraph 74 of the Complaint, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them. Moreover, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations regarding money deposited into Adams-controlled accounts with FNBC or whether “investor” money was ever deposited into Southern accounts and, therefore, denies them. Southern denies the remaining allegations contained in Paragraph 74.

75. Because the Receiver has failed to specifically identify the “three Southern Bancorp accounts” referenced in paragraph 75 of the Complaint, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them. Moreover, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations regarding

what Adams did with money in his RiverHills accounts and, therefore, denies them. Southern denies the remaining allegations contained in Paragraph 75

76. Southern denies the Receiver's characterization of account activity as "erratic" with respect to any of the Southern accounts on which Adams was a signatory. Southern denies the Receiver's conclusion that "anyone could see the money flowed in—primarily from FNBC—and then flowed right back out." With regard to the remaining allegations of paragraph 76, the account statements produced by Southern to the Receiver reflect activity in the Adams-controlled accounts and Southern denies allegations inconsistent with those records.

77. In response to the allegations of paragraph 77, the account statements produced by Southern reflect activity in the Adams-controlled accounts and Southern denies allegations inconsistent with those records.

RiverHills

78. Paragraph 78 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

79. Paragraph 79 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

80. Paragraph 80 contains no allegations of fact related to Southern. To

the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

81. Paragraph 81 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

82. Paragraph 82 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

83. Paragraph 83 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

84. Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 84 of the Complaint and, therefore, denies them.

85. Paragraph 85 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

86. Paragraph 86 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

Indicia of fraud

87. Southern denies the allegations and conclusions of paragraph 87 of the Complaint.

88. Southern denies the allegations and conclusions of paragraph 88 of the Complaint.

89. Southern denies the allegations and conclusions of paragraph 89 of the Complaint.

90. Southern denies the allegations and conclusions of paragraph 90 of the Complaint.

91. Southern denies the allegations and conclusions of paragraph 91 of the Complaint.

92. Southern denies the allegations and conclusions of paragraph 92 of the Complaint.

93. Southern denies the allegations and conclusions of paragraph 93 of the Complaint.

94. Southern denies the allegations and conclusions of paragraph 94 of the Complaint.

95. Southern denies the allegations and conclusions of paragraph 95 of the

Complaint.

96. Southern denies the allegations and conclusions of paragraph 96 of the Complaint.

CAUSES OF ACTION

COUNT I FOR CIVIL CONSPIRACY AGAINST ALL DEFENDANTS

97. Southern restates the foregoing paragraphs in response to paragraph 97 of the Complaint.

98. Paragraph 98 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 98.

99. Southern denies the allegations and conclusions of paragraph 99 of the Complaint.

100. Paragraph 100 contains no allegations of fact related to Southern. To the extent a response is required, Southern is without knowledge or information sufficient to form a belief as to the truth of the allegations and, therefore, denies them.

101. Southern denies the allegations and conclusions of paragraph 101 of the Complaint.

102. Southern denies the allegations and conclusions of paragraph 102 of the Complaint.

103. Southern denies the allegations and conclusions of paragraph 103 of the Complaint.

104. Southern denies the allegations and conclusions of paragraph 104 of the Complaint.

105. Southern denies the allegations and conclusions of paragraph 105 of the Complaint.

106. Southern denies the allegations and conclusions of paragraph 106 of the Complaint.

107. Southern denies the allegations and conclusions of paragraph 107 of the Complaint.

**COUNT II
FOR AIDING AND ABETTING AGAINST ALL DEFENDANTS**

108. Southern restates the foregoing paragraphs in response to paragraph 108 of the Complaint.

109. Paragraph 109 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 109.

110. Southern denies the allegations and conclusions of paragraph 110 of the Complaint.

111. Southern denies the allegations and conclusions of paragraph 111 of the Complaint.

112. Southern denies the allegations and conclusions of paragraph 112 of the Complaint.

113. Southern denies the allegations and conclusions of paragraph 113 of the Complaint.

114. Southern denies the allegations and conclusions of paragraph 114 of the Complaint.

115. Southern denies the allegations and conclusions of paragraph 115 of the Complaint.

116. Southern denies the allegations and conclusions of paragraph 116 of the Complaint.

117. Southern denies the allegations and conclusions of paragraph 117 of the Complaint.

118. Southern denies the allegations and conclusions of paragraph 118 of the Complaint.

**COUNT III
FOR RECKLESSNESS, GROSS NEGLIGENCE, AND AT A MINIMUM
NEGLIGENCE AGAINST ALL DEFENDANTS**

119. Southern restates the foregoing paragraphs in response to paragraph 119 of the Complaint.

120. Paragraph 120 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 120.

121. Paragraph 121 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 121.

122. Southern denies the allegations and conclusions of paragraph 122 of the Complaint.

123. Southern denies the allegations and conclusions of paragraph 123 of the Complaint.

124. Southern denies the allegations and conclusions of paragraph 124 of the Complaint.

125. Southern denies the allegations and conclusions of paragraph 125 of the Complaint.

126. Southern denies the allegations and conclusions of paragraph 126 of the Complaint.

127. Southern denies the allegations and conclusions of paragraph 127 of the Complaint.

128. Southern denies the allegations and conclusions of paragraph 128 of the Complaint.

129. Southern denies the allegations and conclusions of paragraph 129 of the Complaint.

**COUNT IV
FOR NEGLIGENT RETENTION AND SUPERVISION
AGAINST TRUSTMARK, SOUTHERN BANCORP, AND RIVERHILLS**

130 – 139. By the Order (Doc. 67) entered March 1, 2021, the Court dismissed Count IV for negligent retention and supervision against Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 130-139.

**COUNT V
FOR VIOLATIONS OF MISSISSIPPI'S FRAUDULENT TRANSFER ACT
AGAINST ALL DEFENDANTS**

140. Southern restates the foregoing paragraphs in response to paragraph 140 of the Complaint.

141. Paragraph 141 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 141.

142. Paragraph 142 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 142.

143. Southern denies the allegations and conclusions of paragraph 143 of the Complaint.

144. Southern denies the allegations and conclusions of paragraph 144 of the Complaint.

145. Southern denies the allegations and conclusions of paragraph 145 of the Complaint.

**COUNT VI
FOR VIOLATIONS OF MISSISSIPPI'S RACKETEER INFLUENCED
AND CORRUPT ORGANIZATIONS ACT
AGAINST ALL DEFENDANTS**

146 -154. By the Order (Doc. 67) entered March 1, 2021, the Court dismissed Count VI for violations of Mississippi's Racketeer Influenced and Corrupt Organizations Act against all defendants. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 146-154.

TRUSTMARK AND RIVERHILLS'S VICARIOUS LIABILITY

155. Paragraph 155 contains no allegations of fact related to Southern. To the extent a response is required, Southern denies the allegations and conclusions of paragraph 155.

Southern denies the allegations contained in the last un-enumerated paragraph beginning with “WHEREFORE,” including sub-paragraphs 1. through 3. Southern specifically denies the Receiver is entitled to any judgment or damages against Southern.

FOR THESE REASONS, defendant Southern Bancorp Bank prays that the Complaint of Alysson Mills, in her capacity as the court-appointed receiver for Arthur Lamar Adams and Madison Timber Properties, LLC, be dismissed in its entirety as to Southern and for all other relief to which Southern is entitled.

Respectfully submitted, this the 31st of March, 2021.

SOUTHERN BANCORP BANK

By: /s/ Scott Jones
M. Scott Jones (MSB #102239)
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CERTIFICATE OF SERVICE

I certify that on this day I electronically filed the foregoing with the Clerk of the Court using the ECF system which sent notification of such filing to all counsel of record.

/s/ Scott Jones _____