

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
NORTHERN DIVISION

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

Plaintiffs,

v.

THE UPS STORE, INC.; HERRING  
VENTURES, LLC d/b/a/ THE UPS STORE;  
AUSTIN ELSER; TAMMIE ELSER;  
COURTNEY HERRING; DIANE LOFTON;  
CHANDLER WESTOVER; RAWLINGS &  
MACINNIS, PA; TAMMY VINSON; and  
JEANNIE CHISHOLM,

Defendants.

Case No. 3:19-cv-364-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

**THE UPS STORE, INC.'S OPPOSITION TO PLAINTIFF'S MOTION TO SEAL**

Plaintiff's Motion to Seal argues once again that the names of the persons who invested money with Arthur Lamar Adams and Madison Timber should be ordered sealed by this Court such that the public is prevented from knowing their identities. Once again, the only reason given by Plaintiff for sealing is her assertion that investors would be embarrassed and "revictimiz[ed]" if anyone were to learn that those investors had done business with Adams/Madison Timber. (ECF No. 220 at 2.) And once again, Plaintiff fails to submit any **evidence** to support her bald assertion about what investors feel or want. When Plaintiff first raised these issues in December 2019 in connection with Plaintiff's Proposed Protective Order, Plaintiff made all the same arguments about how investors allegedly felt. (ECF No. 58.) In response, TUPSS, Inc. pointed out Plaintiff's lack of any admissible evidence about investors' feelings. (ECF No. 62.) This Court ruled then that Plaintiff had failed to make the showing required under Local Uniform Civil Rule 79 for an order sealing or redacting the names of all investors in all filings. (ECF No. 89.) There is nothing about Plaintiff's current Motion that would justify a different ruling on what is essentially a motion for reconsideration. Plaintiff does not argue that she now has submitted evidence to support her request (Plaintiff still has no evidence.) Nor does Plaintiff argue that there is something particularly sensitive about the Notice of Serving Subpoenas, which merely states the names of the corporations and individuals who TUPSS, Inc. served with a subpoena.

The Receiver's Motion falls far short of establishing "clear and compelling reasons" for shielding court filed documents from public view.

As Judge Reeves has previously stated:

Citizens have a common law right to view public documents, including those submitted to a court. This is an important right, as citizen inspection of court records can uncover abuses of the judicial system. For this reason, courts in the

Southern District of Mississippi require ‘clear and compelling reasons’ to shield a document from public view.

*EEOC v. Halliburton Energy Servs.*, No. 3:16-CV-00233-CWR-FKB, 2018 U.S. Dist. LEXIS 83056, at \*2 n.5 (S.D. Miss. May 17, 2018) (Reeves, J.) (quoting L.U.Civ.R. 79(b)); *United States v. Apothetech Rx Specialty Pharm. Corp.*, No. 3:15-CV-00588-CWR-FKB, 2017 U.S. Dist. LEXIS 40382, at \*2 (S.D. Miss. Mar. 20, 2017) (Reeves, J.)). Thus, the “court’s discretion to seal the record of judicial proceedings is to be exercised charily.” *Holmes v. United States*, No. 2:18-cv-179-KS-MTP, 2018 U.S. Dist. LEXIS 224677, at \*3-4 (S.D. Miss. Oct. 23, 2018) (quoting *S.E.C. v. Van Waeyenberghe*, 990 F.2d 845, 848 (5th Cir. 1993)).

Consistent with these principles, Local Uniform Civil Rule 79(b) requires that “[a]ny order sealing a document must include particularized findings demonstrating that sealing is supported by clear and compelling reasons and is narrowly tailored to serve those reasons.” A request for a blanket order sealing all documents related to all investors is not “narrowly tailored.” L.U.Civ.R 79(b). Nor has Plaintiff provided any “clear and compelling reasons” to justify such a blanket order. *Id.* The only reason for sealing offered by Plaintiff is that it would—allegedly—embarrass the witnesses who received subpoenas if their identities were in the public domain identifying them as persons who invested with Adams. (ECF No. 220 at 2.) But that is rank speculation, since the Receiver does not submit any evidence from even one investor. Four of these “investors” are corporate entities, which do not have the same privacy interests as individuals. *See* Hunt Decl. ¶ 3; *see also* Restatement (Second) of Torts § 652I (“A corporation, partnership or unincorporated association has no personal right of privacy.”). At least one investor to whom TUPSS, Inc. issued a subpoena, Birdie Cooperwood, has been repeatedly identified in the public record. She intervened in the SEC action, voluntarily stepped forward to provide a victim impact statement at Adams’ sentencing, and, during a recent hearing

in a related case, Ms. Cooperwood's name was mentioned **nine times** in open court without any objection from Plaintiff's counsel. *See SEC v. Adams*, Case No. 3:18-CV-252-CWR-FKB (S.D. Miss.) at ECF No. 156; Sentencing Hr'g Tr. at 44:14-47:8, *United States v. Adams*, Case No. 3:18-cr-00088-CWR-LRA (S.D. Miss. Oct. 29, 2018), attached to the Declaration of Adam J. Hunt ("Hunt Decl.") as Exhibit A; Hearing Tr. at 10:25, 11:5, 14:18, 25:11, 14, 24, 26:8, 10, 14, *Mills v. BankPlus*, Case No. 3:19-cv-0196 (S.D. Miss. June 11, 2021) attached to Hunt Decl. as Exhibit B. Yet Plaintiff's motion seeks to require that a subpoena identifying Ms. Cooperwood be filed under seal. "[T]he Court has no ability to make private that which has already become public." *Chigirinskiy v. Panchenkova*, 319 F. Supp. 3d 718, 739 (S.D.N.Y. 2018) (collecting cases).

In all events, even if an investor had actually claimed embarrassment, that claim would not overcome the strong presumption in favor of open court proceedings. *See, e.g., Sec. Inv. Prot. Corp. v. Bernard L. Madoff Inv. Sec. LLC*, No. 08-01789 (BRL), 2011 Bankr. LEXIS 1390, at \*7 (Bankr. S.D.N.Y. Apr. 12, 2011) (denying a request to redact the names of non-party investors in Bernie Madoff's Ponzi scheme, holding that "the Defendants have not adequately established any harm beyond merely 'embarrassing or prejudicial' association with these Ponzi scheme proceedings, which is not sufficient cause for sealing");<sup>1</sup> *see also In re Analytical Sys., Inc.*, 83 B.R. 833, 836 (Bankr. N.D. Ga. 1987) ("Construing the record most favorable to ASI and ITT, this record at most would only support a finding of possible embarrassment to ITT. The federal courts have uniformly held that this is not a sufficient basis to justify sealing court records in the face of the express and important policy of public access to court records.").

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<sup>1</sup> The court based its holding under Section 107 of the Bankruptcy Code, which codifies the "common law public right of access" to judicial records that applies in this case. *See id.*, at \*5; *see also Halliburton Energy Servs.*, 2018 U.S. Dist. LEXIS 83056, at \*2.

The Local Rules further provide that the party seeking leave to have documents sealed must submit a non-confidential memorandum that contains “[a] statement of why sealing is necessary . . . References to governing case law.” L.U.Civ.R. 79(e). Similarly, the required “proposed order must recite the findings required by governing case law to support the proposed sealing.” *Id.*

Plaintiff does not cite any relevant case law in her proposed order or recite findings that support sealing. The only case cited in her non-confidential memorandum is inapposite because it involved an unopposed sealing motion. *See* ECF No. 220 at 2 (citing *Equal Emp. Opportunity Comm’n v. Faurecia Auto. Seating, LLC*, No. 4:16-cv-00199, 2017 WL 564051, at \*2 (N.D. Miss. Feb. 10, 2017)). Similarly, Plaintiff’s reliance on *Securities and Exchange Commission v. Joseph F. Forte, et al.*, No. 09-63 (E.D. Pa.) is unavailing because the protective order in that case provided that confidential information, such as investor names, “must be filed under seal and may be filed in such manner without further application to, or order of, this Court.” *See S.E.C. v. Adams*, Case No. 3:18-cv-00252 (ECF No. 290-3 ¶ 14). Here, of course, the Local Rules bar any such protective order. *See* L.U.Civ.R 79(d) (“A confidentiality order or protective order entered by the court to govern discovery will not qualify as an order to seal documents for purposes of this rule.”) And Plaintiff already lost her previous attempt at securing blanket permission for documents to be filed under seal based solely on designating them as confidential under a protective order without satisfying Local Rule 79(e). (*See* ECF No. 89 at 3 (“TUPSS’s proposed protective order comports with this Court’s customary practice for protective orders governing discovery and Local Rule 79; the Receiver’s proposed protective orders do not.”).) Other courts agree that there is not sufficient cause to seal documents disclosing the names of persons who invested in a fraudulent financial scheme. *See, e.g., Sec. Inv. Prot. Corp. v.*

*Bernard L. Madoff Inv. Sec. LLC*, 2011 Bankr. LEXIS 1390, at \*7; *In re Analytical Sys., Inc.*, 83 B.R. at 836.

It is Plaintiff's burden to demonstrate why each investor that TUPSS, Inc. subpoenaed should not be identified in the public record. She has failed to carry that burden. Her motion should be denied accordingly.

Dated: July 14, 2021

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**CERTIFICATE OF SERVICE**

I, Mark R. McDonald, do hereby certify that I electronically filed the above and foregoing with the Clerk of the Court using the CM/ECF system which sent notification of such filing to the following counsel of record:

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COURTNEY HERRING,  
DIANE LOFTON, AND  
TAMMIE ELSEN***

THIS, the 14th day of July, 2021.

*s/ Mark R. McDonald*  
\_\_\_\_\_  
MARK R. MCDONALD

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
NORTHERN DIVISION

ALYSSON MILLS, IN HER CAPACITY AS  
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THE UPS STORE, INC.; HERRING  
VENTURES, LLC d/b/a/ THE UPS STORE;  
AUSTIN ELSER; TAMMIE ELSER;  
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Case No. 3:19-cv-364-CWR-FKB

Arising out of Case No. 3:18-cv-252,  
*Securities and Exchange Commission v.  
Arthur Lamar Adams and Madison Timber  
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Hon. Carlton W. Reeves, District Judge

**DECLARATION OF ADAM J. HUNT IN SUPPORT OF THE UPS STORE, INC.'S  
OPPOSITION TO PLAINTIFF'S MOTION TO SEAL**



I, Adam J. Hunt, under penalty of perjury, declare as follows:

1. I am an associate at the law firm Morrison & Foerster LLP, attorneys of record for Defendant The UPS Store, Inc. (“TUPSS, Inc.”). I have personal knowledge of the statements below and, if called to testify, I could and would competently testify to them.

2. On June 17, 2021, I sent all counsel of record in this action notices of subpoenas that TUPSS, Inc. was planning to serve on certain investors in the Madison Timber Ponzi scheme.

3. Four of these subpoenas were noticed to corporate entities.

4. Attached hereto as **Exhibit A** is true and correct a copy of excerpts from the transcript of the sentencing hearing for the defendant, Arthur Lamar Adams in *United States v. Adams*, Case No. 3:18-cr-00088-CWR-LRA (S.D. Miss. Oct. 29, 2018).

5. Attached hereto as **Exhibit B** is a true and correct copy of excerpts from the June 11, 2021 hearing transcript in *Mills v. BankPlus*, Case No. 3:19-cv-0196 (S.D. Miss. June 11, 2021).

I hereby declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on July 14, 2021

/s/ Adam J. Hunt

Adam J. Hunt

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

UNITED STATES OF AMERICA

VS. CRIMINAL NO. 3:18cr00088CWR-LRA-1

ARTHUR LAMAR ADAMS

SENTENCING HEARING  
VOLUME 1

BEFORE THE HONORABLE CARLTON W. REEVES  
UNITED STATES DISTRICT JUDGE  
OCTOBER 29, 2018  
JACKSON, MISSISSIPPI

APPEARANCES:

FOR THE GOVERNMENT: MR. DAVID H. FULCHER

FOR THE DEFENDANT: MR. JOHN M. COLETTE  
MR. SHERWOOD A. COLETTE

REPORTED BY: CHERIE GALLASPY BOND  
Registered Merit Reporter  
Mississippi CSR #1012

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1 advice on how to proceed with listening to the allocution and  
2 the testimony that's going to be provided by any of the  
3 victims. And, you know, before the court hands down its  
4 sentencing, Mr. Colette, you'll be given free opportunity to  
5 convince me otherwise, but right now I'm going to proceed and  
6 allow Mr. Fulcher to call those witnesses, particularly those  
7 two or three who need to be heard today.

8 MR. FULCHER: Thank you, Your Honor.

9 Your Honor, the first victim for this afternoon will  
10 be Ms. Birdie Cooperwood. If she could come forward to provide  
11 allocution.

12 THE COURT: Good afternoon. Will you state and spell  
13 your name, please.

14 MS. COOPERWOOD: My name is Birdie L. Cooperwood.  
15 B-I-R-D-I-E L. C-O-O-P-E-R-W-O-O-D.

16 THE COURT: Thank you, Ms. Cooperwood. You may  
17 proceed.

18 MS. COOPERWOOD: I was introduced to Madison Timber  
19 through --

20 THE COURT: Hold on. Let me get them to put the mic  
21 up a little closer to you. And if you're going to read --

22 MS. COOPERWOOD: I'm going to try --

23 THE COURT: No, no -- speak at a pace -- you can talk  
24 as slowly as you want to -- so that the court reporter can keep  
25 up with you.

1 MS. COOPERWOOD: Okay. I was introduced to Madison  
2 Timber through Mr. Stewart Patrick in 2012. I had my money  
3 invested in annuities, and he told me that Madison Timber will  
4 pay me more interest than the bank would, than the annuities  
5 would. So since he was working at the bank, I thought it was a  
6 good idea, so I decided to go that way. And after Mr. Patrick  
7 left, Jason Cowgill took his place.

8 THE COURT: Do you know how Jason spells his last  
9 name?

10 MS. COOPERWOOD: J-A-S-O-N. And Cowgill,  
11 C-O-W-G-I-L-L. He took Mr. Patrick's place. And I was dealing  
12 with Mr. Cowgill, Mr. Wayne Kelly, Mr. Lamar Adams, through  
13 Jason Cowgill. And the money that I had invested came from my  
14 four deceased kids. Yes, I lost four kids. I lost three in  
15 ten years, and I lost another one in '15. And the impact it  
16 had on my life is that I had to sell my house, move in with my  
17 daughter, because I could no longer afford to keep my house and  
18 pay my doctor bills. I have to pay 20 percent of my doctor  
19 bill and buy all of my medication because I don't have a  
20 secondary insurance company. So God forbid if anything should  
21 happen to my daughter, I don't know what will happen to me  
22 because her house isn't paid for, and Mr. Lamar done took all  
23 of of my money. So what am I supposed to do?

24 And the part what really hurts so bad, him and his  
25 family is prospering off of my four deceased kids, and I don't

1 think that's fair. And the money I get every month don't come  
2 to \$600 a month. And like I said, I have to pay 20 percent of  
3 my doctor bills. I have quite a few health problems. I take  
4 quite a bit of medicine every day, and I have to buy all of my  
5 medication. And if I had known this was a scam, I never would  
6 have took my money out of my annuity because my annuity was  
7 paying me interest, plus I wasn't losing anything.

8 THE COURT: How much -- if I may ask, how much were  
9 your annuities paying you approximately each month?

10 MS. COOPERWOOD: Oh, God, I really don't know because  
11 that's been ever since 2012.

12 THE COURT: Was it more than \$600?

13 MS. COOPERWOOD: I don't think so. So that's all I  
14 have to say.

15 THE COURT: You indicated that Mr. Patrick was working  
16 at a bank?

17 MS. COOPERWOOD: Yes, sir.

18 THE COURT: What bank was that?

19 MS. COOPERWOOD: BankPlus in Southaven, Mississippi,  
20 and so was Mr. Cowgill when he took over.

21 THE COURT: And you indicated you were introduced to  
22 Mr. Kelly -- to a Mr. Kelly?

23 MS. COOPERWOOD: I talked to Mr. Kelly over the phone  
24 but never in person.

25 THE COURT: Okay.

1 MS. COOPERWOOD: All of my kids took out insurance  
2 policies. They said when they die, if they die before I did, I  
3 would have something to live on. But Mr. Lamar living off of  
4 it, not me, and I don't think it's fair.

5 THE COURT: Anything else?

6 MS. COOPERWOOD: No, sir.

7 THE COURT: Thank you, Ms. Cooperwood.

8 MS. COOPERWOOD: Thank you.

9 THE COURT: Who's your next witness, Mr. Fulcher?

10 MR. FULCHER: Your Honor, the next victim that we have  
11 that is from out of state is Ms. Patricia Gallina,  
12 G-A-L-L-I-N-A.

13 THE COURT: Ms. Gallina, G-A-L-L-I-N-A?

14 MR. GALLINA: Yes, sir. You must have Dago in you.

15 THE COURT: Thank you. I was just repeating that for  
16 my courtroom deputy. You may proceed as you wish, ma'am.

17 MS. GALLINA: Thank you. First, I want to ask Mr.  
18 Lamar, how are you getting the money to pay for your attorneys?  
19 Is it with our money?

20 I was given the question Friday, how has this impacted  
21 me? At first I thought, I have to be happy. I have no choice.  
22 I've got my health. I need to be happy. Then last night, when  
23 I was driving 45 minutes to work on a rainy night, with my  
24 eyesight -- from the stroke and heart attack, it's not what it  
25 used to be. I can't have cataract surgery anymore. I've

1 CERTIFICATE OF REPORTER

2  
3 I, CHERIE GALLASPY BOND, Official Court Reporter, United  
4 States District Court, Southern District of Mississippi, do  
5 hereby certify that the above and foregoing pages contain a  
6 full, true and correct transcript of the proceedings had in the  
7 aforementioned case at the time and place indicated, which  
8 proceedings were recorded by me to the best of my skill and  
9 ability.

10 I certify that the transcript fees and format comply  
11 with those prescribed by the Court and Judicial Conference of  
12 the United States.

13  
14 This the 13th day of November, 2018.

15  
16 s/ *Cherie G. Bond*  
17 Cherie G. Bond  
18 Court Reporter  
19  
20  
21  
22  
23  
24  
25

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

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

VERSUS  
CAUSE NO. 3:19-CV-00196-CWR-LGI

BANKPLUS; BANKPLUS WEALTH MANAGEMENT, LLC;  
GEE GEE PATRIDGE, VICE PRESIDENT AND CHIEF  
OPERATING OFFICER OF BANKPLUS; STEWART PATRIDGE;  
JASON COWGILL; MARTIN MURPHREE; MUTUAL OF OMAHA  
INSURANCE COMPANY; MUTUAL OF OMAHA INVESTOR SERVICES,  
INC.; FEDERAL INSURANCE COMPANY; and CONTINENTAL  
CASUALTY COMPANY  
DEFENDANTS

MOTION HEARING PROCEEDINGS

BEFORE THE HONORABLE CARLTON W. REEVES  
UNITED STATES DISTRICT COURT JUDGE  
JUNE 11, 2021  
JACKSON, MISSISSIPPI

REPORTED BY: TAMIKA T. BARTEE, BCR, RPR, CCR #1782

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1 requires. That's the first step. The receiver must comply with  
2 Rule 9(b) before we can really even get to whether or not she's  
3 stated a claim.

4 THE COURT: Well, with respect to that, why should the  
5 Court not allow the receiver to -- to the extent BankPlus contends  
6 there are not enough meat to the allegations that the receiver has  
7 brought, and I know that the parties have provided some documents,  
8 at least, at this point, but why is it that BankPlus believes  
9 there has not been enough said about the who, what, where, and all  
10 of that to put BankPlus on notice of the allegations that the  
11 receiver intends to pursue and -- you know, if at the end of the  
12 day, discovery does not sufficiently tie those bones together, if  
13 you will, then a motion for summary judgment would be appropriate  
14 by BankPlus. Why isn't that the appropriate route? Why would  
15 that not be an appropriate route, Mr. Bieck?

16 MR. BIECK: Because the complaint is insufficient under  
17 9(b), and is therefore also insufficient under Rule 12(b)(6). As  
18 an example, the complaint never really asserts that either Stewart  
19 Patridge or Martin Murphree, who were former BankPlus employees --  
20 it never really asserts that either Mr. Murphree or Mr. Patridge  
21 sold Madison Timber promissory notes at the time they were  
22 employed. It sidesteps that. And the only concrete assertion  
23 that the complaint makes about either of them selling Madison  
24 Timber promissory notes is an assertion that Mr. Patridge sold, I  
25 believe, Ms. Cooperwood, Madison Timber promissory notes beginning

1 in 2012. Mr. Patridge left BankPlus' employment in early  
2 August 2011.

3 THE COURT: Did he get any information by way of his  
4 employment at BankPlus, or did he have a relationship with  
5 Ms. Cooperwood or anyone? I mean, did he receive -- do any of the  
6 allegations suggest that he obtained information in his BankPlus  
7 employment that he later used while employed by someone else?

8 MR. BIECK: I am not aware of any allegations to that --  
9 to that end, but even if there were, that's irrelevant to the  
10 claim. Mr. -- BankPlus cannot be liable for a former employee's  
11 actions taken when that former employee was a former employee.  
12 BankPlus cannot control Mr. Patridge once he leaves. It has no  
13 responsibility for the actions that he takes once he is gone.

14 THE COURT: There was -- there's another BankPlus employee  
15 who's been ensnared in this, and I know Mr. Thompson is going to  
16 speak for her, I think, but Gee Gee Patridge is also -- Patridge,  
17 excuse me. Was she a BankPlus employee?

18 MR. BIECK: Yes, Your Honor.

19 THE COURT: They also contend that BankPlus is liable for  
20 some of -- I guess, the negligent supervision claim. Does it  
21 apply to her activities?

22 MR. BIECK: I read it as applying to Ms. Patridge's  
23 activity, and I will address those forthwith.

24 THE COURT: Okay.

25 MR. BIECK: The allegations concerning Ms. Patridge can be

1 proposition a plaintiff is allowed to be given leave to replead.  
2 Although they've had two bites at the apple, this Court has not  
3 heard a motion to dismiss, and hasn't considered one. I think it  
4 is only fair that the plaintiff be allowed an amendment. But to  
5 not enforce the rules, Your Honor, is to not act as the gatekeeper  
6 that undergirds the policy of those rules. Claims that don't pass  
7 pleading muster shouldn't continue. Discovery is expensive. It's  
8 time consuming. These are serious allegations of wrongdoing  
9 against not just BankPlus, but all of the other defendants.  
10 Someone who asserts fraud, someone who claims fraud must go the  
11 extra mile to provide the specifics for that fraud, and they must  
12 satisfy the plausibility test of *Iqbal* and *Twombly*. And although  
13 I am reluctant to argue with the Court, I believe that the  
14 statements of the Court made about, "Hey, everybody jumped in this  
15 thing because they were making money," is --

16 THE COURT: No, no, no. I don't mean to suggest that  
17 that's the Court's view of this of everyone, because I know  
18 persons like Birdie Cooperwood did not. And I've heard from other  
19 witnesses who did not -- they relied on professionals, and  
20 certainly some of those professionals knew what the scheme --  
21 well, certainly some of the professionals had the skills, the  
22 talent, the ability, the education, the experience to know, but  
23 others did not know. So no, I am not suggesting that everyone  
24 jumped in there to make money, but I was sort of asking the  
25 particular question about Ms. Patridge's -- I think BankPlus said

1 complaint this receiver will ever file, which BankPlus will agree,  
2 meets the threshold of Rule 12.

3 Unless the Court has questions, Your Honor, I'll tender  
4 the days to the next speaker and reserve my remarks for other  
5 motions to dismiss to be presented to the Court.

6 THE COURT: Okay. Mr. Bieck, did you want to respond  
7 briefly to what Mr. Barriere has said?

8 MR. BIECK: Yes, I do. Thank you, Your Honor.

9 Mr. Barriere just told you that Stewart Patridge was an  
10 employee of BankPlus when he sold allegedly, Madison Timber  
11 promissory notes to Ms. Cooperwood. And he quoted from  
12 Paragraph 75 of the amended complaint, and there's a block quote  
13 at the top of page 23 of the complaint. I am only going to read  
14 the first sentence. This is Ms. Cooperwood speaking at Mr. Adams'  
15 sentencing. "I was introduced to Madison Timber through  
16 Mr. Stewart Patrick [Patridge] in 2012."

17 Now, let me ask the Court to consider the allegation in  
18 Paragraph 34 of the same amended complaint. I am quoting from the  
19 first sentence. "In late 2011, Stewart left BankPlus to become an  
20 agent for Mutual of Omaha."

21 How can Mr. -- how can the receiver's counsel tell this  
22 Court that the complaint alleges that Stewart Patridge was an  
23 employee when he sold, allegedly, a Madison Timber promissory note  
24 to Ms. Cooperwood? The very face of the complaint contradicts  
25 that proposition. That's why we need more detail.

1 THE COURT: But don't you get the more detail through  
2 discovery? I'm just curious, I mean, because the claim is just  
3 not about Mr. Patridge's conduct, the claim also includes -- and I  
4 know Mr. Thompson is going to have an opportunity to defend  
5 Ms. Gee Gee Patridge, but it also contends that there was  
6 something about her conduct as an employee of BankPlus that sort  
7 of -- would trigger allegations that again need to be ferreted  
8 out. Yes, it may prove at the end of the day that Ms. Cooperwood  
9 is wrong; that she first learned of Stewart Patridge in 2012 after  
10 he had left BankPlus, and so, to the extent that Ms. Cooperwood's  
11 claim might vanish because of that does not impact the claims --  
12 might not impact the claims of others that the receiver represent.  
13 I mean, they pointed out the specific allegations of  
14 Ms. Cooperwood. You know, I don't know what other type of  
15 allegations, or what type of evidence might bear on BankPlus'  
16 knowledge, sophistication, skill, involvement in this. Right now,  
17 they've put forth what they thought that they've had. You knock  
18 out that claim, what is left against BankPlus?

19 MR. BIECK: Your Honor, this is but an example of the  
20 defective pleading. I could probably talk from now until 5  
21 o'clock about the defects in the complaint. I don't think that's  
22 a good use of folk's time, and I am pretty sure you wouldn't want  
23 me to do that and may like me to stop right now.

24 THE COURT: Not today, but maybe the next time we get  
25 together.

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COURT REPORTER'S CERTIFICATE

I, Tamika T. Bartee, Certified Court Reporter, in and for the State of Mississippi, Official Court Reporter for the United States District Court, Southern District of Mississippi, do hereby certify that the above and foregoing pages contain a full, true, and correct transcript of the proceedings had in the aforementioned case at the time and place indicated, which proceedings were recorded by me to the best of my skill and ability.

I further certify that the transcript fees and format comply with those prescribed by the Court and Judicial Conference of the United States.

THIS the 30th day of June, 2021.

s/ Tamika T. Bartee

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