

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,*

*v.*

CAUSE NO. 3:18-CV-679-CWR-BWR

**MICHAEL D. BILLINGS AND MDB  
GROUP, LLC; TERRY WAYNE  
KELLY, JR. AND KELLY  
MANAGEMENT, LLC; AND  
WILLIAM B. MCHENRY, JR. AND  
FIRST SOUTH INVESTMENTS, LLC,**

*Defendants.*

**ORDER**

Before the Court is the Plaintiff's *Motion For Contempt* against William B. McHenry, Jr. Docket No. 124. On September 25, 2023 this Court held a hearing to determine whether McHenry should be held in civil contempt. At that hearing, McHenry was held in civil contempt and ordered into the custody of the U.S. Marshals Service. The Court pronounced its ruling from the bench.

In what follows, the Court will explain in more detail why McHenry is in civil contempt, then discuss the sanctions for his non-compliance with multiple Court Orders. It will end by providing the steps that McHenry must take if he wishes to "purge" himself of contempt.

## I. Facts and Procedural History

In October 2018, the Receiver filed this lawsuit against McHenry and the other principal recruiters for the Madison Timber Ponzi scheme. *See* Docket No. 1. McHenry had brought investors into the illegal scheme and “received 10% of each dollar of each investment made by an investor that he personally recruited.” Docket No. 84 at 2. McHenry and his company, First South Investments, LLC, received a total of \$3,473,320 in commissions from 2010 to April 2018 for recruiting investors to the Ponzi scheme.

On November 16, 2018, the Court issued an Agreed Order on Preliminary Injunction restraining McHenry from “dissipating assets in his possession that are directly traceable to the Madison Timber Ponzi scheme.” Docket No. 45 at 1. This Preliminary Injunction was in place until August 16, 2019, when the Court issued a judgment against McHenry in the amount of \$3,473,320. *See* Docket Nos. 62 and 63.

In the years to follow, McHenry did not voluntarily satisfy any part of the judgment. The Receiver made repeated attempts to get him to begin paying the judgment; however, these attempts were unsuccessful or delayed due to other court proceedings involving McHenry.

In January 2019, for example, McHenry was indicted for securities and wire fraud. *See United States v. McHenry*, No. 3:19-CR-20-CWR-LRA (S.D. Miss.). During the pendency of the criminal charges, the Receiver did not pursue McHenry’s assets. Docket No. 84 at 3. The trial occurred in December 2019. McHenry was found not guilty.

Within weeks of this verdict, the Receiver renewed her efforts to collect the judgment. She sought to take McHenry’s judgment debtor examination to inquire about

his assets and finances. McHenry was required to produce relevant papers and documents for the examination. *See* Docket No. 67.

The Debtor's exam was scheduled for February 2020, but it did not go forward because McHenry filed a Chapter 7 Bankruptcy petition – triggering an automatic stay of any litigation against him.<sup>1</sup> The Receiver and McHenry tussled in the bankruptcy court. In fact, the Bankruptcy Court held McHenry in contempt for not producing certain financial documents the Receiver had requested.<sup>2</sup> Eventually, the Bankruptcy Court denied McHenry's request to discharge the Receiver's \$3.4 million judgment.<sup>3</sup>

After the bankruptcy stay was lifted, in August 2021, the Receiver sought again to take McHenry's debtor examination. *See* Docket No. 84. On September 17, 2021 the Magistrate Judge granted the request. Docket No. 92. McHenry was ordered to appear and "produce 21 categories of records to establish his financial condition." Docket No. 125 at 6.

A few days later, on September 23, 2021, this Court issued a Writ of Execution against McHenry. Docket No. 94. McHenry was ordered to turn over specific personal property, identified by the Receiver, for "levying and selling" to satisfy the judgment. Docket No. 95. The property seized through the Writ of Execution is "the only recovery against the judgment that has been secured to date by the receiver," and from this seizure and sale of some assets, the Receiver "generated a grand total of \$16,000." Docket No. 136 at 6-7.

---

<sup>1</sup> *See In re: William Byrd McHenry, Jr.*, No. 20-bk-268, Docket No. 1 (Bankr. S.D. Miss.).

<sup>2</sup> *See In re: William Byrd McHenry, Jr.*, No. 20-bk-268, Docket No. 103 (Bankr. S.D. Miss.).

<sup>3</sup> *See Mills v. McHenry*, Adv. No 20-00022, Docket No. 54 (Bankr. S.D. Miss.)

Leading up to his debtor examination, McHenry provided the Receiver incomplete document productions. *See* Docket No. 125 at 6-7. These included “bank statements with missing pages,” and “omitted entire categories of documents that McHenry was ordered to produce.” *Id.* at 7. When the debtor examination finally occurred on November 18, 2021, the Receiver’s counsel questioned McHenry at length about his assets and how he maintains his lifestyle. *Id.* Even though McHenry admitted to having “anywhere from \$3500 to \$4500”<sup>4</sup> in monthly living expenses, he “could not identify the source of any deposit into his bank accounts and could not explain how he covers his monthly expenses.” *Id.* at 8.

On March 31, 2022 the Receiver filed the instant Motion for Contempt. *See* Docket Nos. 124 and 125. McHenry, who was proceeding *pro se*, responded with blanket denials. *See* Docket Nos. 126 and 127. He asserted that the Receiver’s allegations were “grossly inaccurate, misleading and are presented to the court with the intent of casting a negative description” of his “best efforts to completely comply with all case related requests, court ordered or otherwise.” Docket No. 127 at 2.

A motion hearing commenced on May 19, 2022, but during the hearing McHenry requested the appointment of counsel. *See* Docket No. 136 at 12. The Court terminated the hearing and subsequently appointed counsel. *See* Docket No. 134. The hearing was rescheduled several more times, during which McHenry filed a second bankruptcy. That proceeding is now over.

---

<sup>4</sup> Docket No. 124-2 at 37.

The contempt hearing was finally held on September 25, 2023. The Court received evidence and heard arguments from the Receiver's attorney and McHenry's court-appointed counsel.

Counsel for the Receiver pointed out that the Receiver still had not received many documents and records that she had requested for the November 2021 debtor examination. *See* Docket No. 124-3 at 1-2. The Receiver represented that since her appointment, McHenry's counsel worked diligently to obtain the missing information. For example, she issued subpoenas to several financial institutions and McHenry's creditors in attempt to satisfy the Receiver's production requests from the judgment debtor examination. Despite counsel's efforts, though, a great deal of information relating to McHenry's finances and assets are still unknown. For example, no documents or records have been produced about the five LLCs of which McHenry was the sole member. As of the hearing date, the Receiver's total collection against McHenry remained at \$16,000. The Receiver's counsel notes that the outstanding judgment has increased to \$3.6 million as interest continuously accrues.

In McHenry's defense, his counsel's main argument was that McHenry is not a good bookkeeper and is in financial hardship. Defense counsel asserted that if McHenry had the funds to pay the judgment, he would pay.

The evidence at the hearing painted a different picture. There was unrefuted evidence that McHenry engaged in numerous firearms transactions from 2019 to 2021. McHenry made significant profits from these sales and yet none of the proceeds were

provided to the Receiver, who would in turn make those funds available to the victims of the Ponzi scheme.

Ultimately, at the hearing, the Court determined that McHenry sold at least 17 guns, three vehicles, and other property during the period of the Preliminary Injunction without notice to the Receiver. McHenry did so in direct violation of the Preliminary Injunction.<sup>5</sup>

After hearing arguments from counsel, the Court found by clear and convincing evidence that McHenry was in civil contempt for violating the Preliminary Injunction. He has dissipated assets, failed to turn over the proceeds to the Receiver, and not complied with the Receiver's requests for documents. The Court ordered McHenry to be placed in the custody of the U.S. Marshal, but granted his counsel's request for McHenry to turn himself into the Madison County Jail by 5:00 p.m. on September 25.<sup>6</sup>

## II. Legal Standard

"It is settled law that the power to punish for contempt is an inherent power of the federal courts and that it includes the power to punish violations of their own orders." *United States v. Fidanian*, 465 F.2d 755, 757 (5th Cir. 1972). "A party commits contempt when he violates a definite and specific order of the court requiring him to perform or refrain from performing a particular act or acts with knowledge of the court's order." *Travelhost, Inc. v. Blandford*, 68 F. 3d 958, 961 (5th Cir. 1995). Civil contempt exists "to

---

<sup>5</sup> McHenry sold more than 130 additional guns after the judgment was entered. The undisputed record evidence shows that he received more than \$83,000 for the sale of these firearms. *See* Docket No. 124-5.

<sup>6</sup> The Court received confirmation from the U.S. Marshals Service the evening of September 25, 2023, that McHenry turned himself into the jail.

enforce, through coerciveness, compliance with a court's order" and to "compensate a party who has suffered unnecessary injuries or costs because of the contemptuous conduct." *Petroleos Mexicanos v. Crawford Enterprises, Inc.*, 826 F.2d 392, 400 (5th Cir. 1987).

To prove civil contempt, a party must show "clear and convincing evidence: 1) that a court order was in effect, 2) that the order required certain conduct of the respondent, and 3) that the respondent failed to comply with the court's order." *Am. Airlines, Inc. v. Allied Pilots Ass'n*, 228 F.3d 574, 581 (5th Cir. 2000) (quotation marks and citation omitted). "The contemptuous actions need not be willful so long as the contemnor actually failed to comply with the court's order." *Id.* Good faith is not a defense to civil contempt, as the question is whether the alleged contemnor complied with the court's order. *Chao v. Transocean Offshore, Inc.*, 276 F.3d 725, 728 (5th Cir. 2002).

Incarceration can be "an appropriate remedy for either civil or criminal contempt." *In re Bradley*, 588 F.3d 254, 263 (5th Cir. 2009). If the term of incarceration is "conditional and coercive, the character of the contempt is civil." *Id.*

### **III. Discussion**

All three elements of civil contempt are satisfied by clear and convincing evidence.

First, it is undisputed that a Court Order was in effect. In fact, multiple Court Orders have been in effect pertaining to McHenry's conduct. A Preliminary Injunction was issued by this Court on November 16, 2018. *See* Docket No. 45. Summary Judgment was granted in favor of the Receiver, and a Final Judgment was entered on August 16, 2019. *See* Docket Nos. 62 and 63. On September 17, 2021, the Magistrate Judge ordered McHenry to appear for a judgment debtor examination and produce relevant documents.

See Docket No. 92. And on September 23, 2021 a Writ of Execution was issued by this Court. See Docket Nos. 94 and 95.

Second, it is undisputed that the Court Orders required specific conduct of McHenry or restrained him from taking certain actions. The Preliminary Injunction restrained McHenry from “dissipating assets in his possession that are directly traceable to the Madison Timber Ponzi scheme.” Docket No. 45 at 1. In the same injunction, McHenry was required to market for sale three vehicles and deposit the proceeds from the sales into a separate financial account that was acceptable to the Receiver. *Id.* at 3. The Judgment required McHenry to repay his victims, through the Receiver, the sum of \$3,473,320. See Docket No. 62 at 4. The Order on judgment debtor examination required McHenry to submit to such an exam, and produce “all papers and documents” requested by the Receiver. Docket No. 92. The Writ of Execution required McHenry to “satisfy the judgment by levying on and selling all property as described in Exhibit C to the Motion for Writ of Execution.”<sup>7</sup> Docket No. 95.

Third, it is undisputed on the present record that McHenry failed to comply with the Orders of this Court. What follows will explain how McHenry failed to comply with each court Order.

The Receiver argues that a finding of contempt is appropriate. She also contends that McHenry committed perjury and bankruptcy fraud. See Docket 125 at 9-16. With

---

<sup>7</sup> The property in Exhibit C included 15 pieces of farming equipment, 24 firearms, and 12 pieces of art and collectibles. See Docket No. 82.

respect to those latter allegations, this Court will refer those claims to the United States Attorney for potential criminal prosecution.

**A. The Preliminary Injunction**

This Court first ordered McHenry to preserve his assets traceable to Madison Timber in the Preliminary Injunction. Docket No. 45. The evidence leads the Court to conclude that McHenry has disposed of or hidden those assets to avoid repayment of investors, in direct violation of this Court's Preliminary Injunction.<sup>8</sup>

The Receiver has produced evidence of the sales and transfers of property subject to the Preliminary Injunction. McHenry disposed of this property during the injunction period, and he never provided notice to the Receiver that he had taken such steps. In at least one instance, McHenry avoided the reach of the Receiver by gifting two boats, a 2006 Mako 19-footer, and a 2006 17-foot boat, to his sons who reside in California. Yet the boats are currently docked here at Smith Marine in Ridgeland, Mississippi, and McHenry pays the storage fees for the boats. Despite this, he claims he no longer owns the boats. *See* Docket No. 124-2 at 86. This is simply not credible.

McHenry also sold at least 17 guns subject to the Preliminary Injunction to Van's Sporting Goods on July 7, 2019. *See* Docket No. 124-7 at 1. These firearms were sold for \$11,450. Docket No. 125. The owner of Van's Sporting Goods, Van Allen, provided receipts. *See* Docket No. 124-4 at 3-29. Allen also submitted a declaration explaining that

---

<sup>8</sup> At the hearing, the attorneys discussed whether an injunction is still in place preventing McHenry from dissipating assets. The answer is "no." The plain language of the Preliminary Injunction states that it "will remain in effect until such time that the Court issues an order on the Receiver's Motion for Summary Judgment." Docket No. 45 at 4. This means that the injunction was in place from November 16, 2018 to August 16, 2019, when the Motion for Summary Judgment was granted.

since at least 2019, McHenry has purchased firearms from and sold firearms to the store on many occasions. Allen provided records for each firearm sale. *See id.* at 1-2. The Court will address the profits and frequency of these firearm sales later in this Order.

The Preliminary Injunction also required McHenry to liquidate some of his assets by selling three vehicles and depositing the proceeds into an account designated by the Receiver. *See* Docket No. 45 at 3. The three vehicles were identified as a 2012 Range Rover Sport, a 2013 Mercedes G 550, and a 2002 Mercedes G Wagon. *Id.* McHenry sold these vehicles during the injunction period, but did not alert the Receiver to the sales, nor did he deposit the proceeds into the designated account – in direct violation of the injunction. *See* Docket No. 125 at 12; Docket No. 124-7 at 1. McHenry also sold without notice to the Receiver a 2014 “Bad Boy Buggy Side by Side” valued at \$3,500, and a 2017 Ford F250 valued at \$58,000. Docket No. 124-7 at 1. The F250 was sold in 2021 without disclosing or turning over the profits. *Id.*

Counsel for McHenry admitted that McHenry sold the three vehicles subject to the injunction, did not tell the Receiver, and did not deposit the proceeds into a separate account acceptable to the Receiver. The 2013 Mercedes G 550 was sold for \$4,000 to Motorcars of Jackson. The other two vehicles subject to the injunction were sold for the loan amounts to Ridgeland Autoworld. Defense counsel admitted that McHenry no longer had the \$4,000 from the G 550 sale. She also did not dispute the allegations about the gun sales. It remains uncontroverted that McHenry sold at least 17 guns during the injunction period. *See* Docket No. 124-5 at 1.

Because McHenry dissipated assets connected to the proceeds of the Ponzi scheme while the Preliminary Injunction was in place, he is in contempt of court.

**B. The Summary Judgment Order and Final Judgment**

The Receiver's motion for contempt and arguments at the hearing painted a picture of McHenry engaging in efforts to evade enforcement of the judgment for more than four years. *See* Docket No. 124 and 125. The victims he recruited to the Madison Timber Ponzi Scheme have still not seen justice, and currently only \$16,000 has been placed toward the judgment. *See* Docket No. 136 at 6-7. These funds came from assets seized under the Writ of Execution.

McHenry's source of income has become seemingly untraceable through sales of agricultural equipment and firearms, with no evidence with whom the transactions were made or the amounts he earned through the transactions. He has provided no clarity whatsoever. For example, McHenry testified that he is unable to identify any "buyer, seller, price, or type of equipment" that he has sold in the last four years. *See, e.g.*, Docket No. 125 at 5. And McHenry testified that he is self-employed and sells agricultural equipment, yet cannot recall any specific sales information. Docket No. 124-1 at 12-16.

Through her efforts, the Receiver has identified the sale of at least 150 firearms, counting those sold before and after the judgment, with proceeds totaling more than \$83,000. *See* Docket No. 124-5 at 4. None of the funds from the sale of the firearms have gone towards repayment of his victims.

The total amount paid toward the judgment remains at \$16,000 which was collected from the liquidation of the assets obtained through the Writ of Execution. This

Court expects that the Receiver will continue using all tools at her disposal to collect on the judgment amount.

**C. The Judgment Debtor Examination Order**

The Court's next Order required McHenry to appear in open court for a judgment debtor examination and to produce specific documents requested by the Receiver. *See* Docket Nos. 92 and 124-3. While McHenry did appear for the examination, he did not produce all the required documents. *See* Docket No. 125 at 11. As explained by the Receiver, McHenry:

Produced some documents to the Receiver on October 29, 2021, but the production was incomplete. The Receiver's counsel wrote to McHenry detailing those deficiencies, and McHenry made a subsequent production on November 4. That production contained bank statements with missing pages, omitted entire categories of documents that McHenry was ordered to produce, and shed no new light on the source(s) of McHenry's income.

Docket No. 125 at 6-7.

The Receiver alleges that in addition to failing to produce the 21 categories of records, McHenry provided false testimony concerning his income and assets during the Judgment Debtor Examination. "He produced no canceled checks or deposit slips that explained his income sources, no records reflecting his 'buy-and-sell' transactions, and no credit card statements to explain his expenses," she says. *Id.* at 10. The Receiver points out that during the examination, when asked by Receiver's counsel if he sold any firearms while his bankruptcy was pending, McHenry answered "no." Docket No. 124-2 at 84. Receiver's counsel then asked McHenry, "so you sold every one of these guns *after* July 2021?" and McHenry answered "yes." *Id.* (emphasis added).

The undisputed evidence, however, reveals that from *July 2019* to July 2021, McHenry sold at least 150 firearms and profited by more than \$83,000. *See* Docket No. 124-5 at 4. This directly contradicts the testimony McHenry gave under oath during the judgment debtor examination. *See id.*

McHenry also claimed that he sold these firearms at gun shows, which made it difficult for him to keep a record of the sales. *See* Docket No. 124-2 at 80-84. At the judgment debtor examination, when asked about the gun sales, he testified “I went to gun shows and liquidated just about all of them.” Docket No. 124-2 at 81. When asked who he sold the guns to, McHenry said “I don’t know. These are guns that were sold at a gun show, individual to individual, and I couldn’t tell you.” *Id.* at 82-83.

In truth, though, McHenry regularly sold firearms to Van’s Sporting Goods, a licensed firearm dealer in Brandon, Mississippi. *See* Docket No. 124-4 at 1-2. “McHenry sold at least 113 guns to Van’s Sporting Goods during his bankruptcy, for over \$70,000.” Docket No. 125 at 15. On at least 39 occasions he sold firearms to Van’s Sporting Goods. McHenry even sold 13 guns for \$14,400 the same day the Receiver filed her original motion for a judgment debtor examination. *Id.* Van Allen’s declaration confirmed that McHenry sold firearms to Van’s Sporting Goods in 2019, 2020, and 2021. *See* Docket No. 124-4 at 2. In just one calendar year, December 2019 to December 2020, McHenry received \$66,290 for his firearms sales to Van’s. *See* Docket No. 124-4 at 11. McHenry has offered nothing to show that those receipts are wrong.

McHenry also revealed during the debtor’s exam and the Bankruptcy proceedings that he still uses First South’s bank account to pay his personal expenses; he deposits

thousands of dollars into the account. *See* Docket No. 124-2 at 30-37. Yet when questioned, he could not explain the source of the funds.

Telling the truth during his debtor exam appears to have been difficult for McHenry. He was under oath. The Magistrate Judge instructed McHenry that he must “provide full and complete cooperation” during the examination, warning that “failure to provide truthful answers in this judgment debtor examination may result in a penalty of perjury.” Docket No. 124-2 at 6-7.

During the hearing, the Receiver’s counsel detailed the many outstanding requests for production that were issued for the judgment debtor examination. The documents and records which still have not been turned over by McHenry were listed in the Receiver’s November 1, 2021 letter to McHenry. Docket No. 124-3. The Receiver believes that appointed counsel has attempted to track down many of these documents by issuing certain subpoenas. The subjects of at least five of the subpoenas have not responded, however. Efforts of counsel aside, the subpoenaed documents are not the only documents still missing. Many documents within McHenry’s control still have not been produced by McHenry. His 2021 and 2022 tax returns still have not been given to the Receiver. Nor has any financial information about McHenry’s LLCs been turned over. The Receiver requested a copy of the book which McHenry repeatedly referenced as containing records of his transactions. *See* Docket No. 124-1 at 15 (“I cannot answer that without referencing my notebook”). At the hearing, though, McHenry’s appointed counsel admitted that she asked McHenry about the book and was told that he no longer has the book.

Concerning McHenry's testimony under oath at the judgment debtor examination, the Receiver makes a compelling argument that McHenry committed perjury. *See* Docket No. 125 at 13-15. This Court will not make that determination, but instead refers the allegations to the United States Attorney for that office to investigate and determine how it wishes to proceed.

**D. The Writ of Execution**

This Court issued a Writ of Execution on September 23, 2021 "to have the property described in Exhibit C seized and held for sale, and the proceeds from the sale, after payment of costs and expenses of the sale, be paid to the Receivership Estate on the Final Judgment." Docket No. 94 at 2; *see also* Docket No. 82-3 (listing the categories of documents). Exhibit C of the Receiver's Motion, in turn, included a list of McHenry's property, in three categories, to be taken and sold: Farming Equipment, Firearms, and Art and Collectibles. *Id.* The firearms listed in the Writ were 24 firearms McHenry had provided on his bankruptcy schedule.<sup>9</sup>

Before the Writ was executed by the U.S. Marshals, however, McHenry sold all the firearms<sup>10</sup> and some of the farm equipment subject to the Writ. *See* Docket No. 124-7 at 1. The only assets that were recovered and sold pursuant to the Writ were six pieces of farming equipment, and eight pieces of art and collectibles. *Id.* at 2. From the seizure and

---

<sup>9</sup> It was through the bankruptcy schedule that the Receiver learned of these firearms and thus including in her motion for Writ of Execution.

<sup>10</sup> McHenry did not disclose the income from these gun sales during his bankruptcy proceedings. *See* Docket No. 124-7 at 1.

sale of these few assets, the Receiver “generated a grand total of \$16,000.” Docket No. 136 at 6-7.

McHenry was under clear instructions of the Court as to which property of his was to be taken by the U.S. Marshals pursuant to the Writ of Execution to be sold at auction to benefit his victims, yet he sold all of the guns and some of the farming equipment in direct defiance of the Court’s Order. That is unacceptable. It is, therefore, an independent basis for civil contempt.

#### **E. Sanctions**

The evidence submitted at the hearing paints the picture of a recalcitrant McHenry who, as described by the Receiver, has “engaged in this elaborate game of Three-card Monte in order to ensure that the receiver could not execute against his assets and satisfy any meaningful part of the judgment against him.” Docket No. 136 at 8-9. The Court agrees. McHenry’s conduct merits sanctions.

Courts must craft appropriate sanctions that accomplish the two goals of civil contempt: compliance and remediation. In this matter, the Court considered a variety of lesser sanctions, like repayment of the \$83,034.93 that McHenry made from the 150 gun sales, *see* Docket No. 124-5 at 4, or payment of attorney’s fees for time incurred on this problem by the Receiver’s counsel. But it concluded that none would force McHenry’s compliance. Instead, the Court has attempted to craft the strongest remedy that would coerce McHenry’s compliance with the orders.

It remains undisputed that McHenry defied the Court’s Preliminary Injunction and sold 17 firearms for \$11,450 without notice to the Receiver when the injunction was

in place. He sold three vehicles subject to the injunction, making a \$4,000 profit. McHenry then transferred two boats to his sons as “gifts” without notice to the Receiver. Even with all of this evidence against him, McHenry has presented absolutely nothing in rebuttal, nothing to discredit this evidence, and nothing providing some alternative explanation for his actions.

The profit from the 17 guns (\$11,450), the car sales (\$4,000), and the value of the two boats (\$9,500 and \$6,500) equals \$31,450. This is the amount McHenry must pay to rid himself of this civil contempt finding. McHenry shall remain in the custody of the U.S. Marshals Service until he remits that sum to the Clerk of this Court. The Clerk is instructed to turn over any payment to the Receiver for the benefit of the victims.

McHenry holds the keys to his own freedom. He may purge himself of contempt by paying \$31,450. If not, he shall remain in the custody of the U.S. Marshal until further order of this Court.

With respect to the allegations of bankruptcy fraud and perjury, this Court hereby refers those allegations to the United States Attorney for the Southern District of Mississippi for investigation and to determine what action he may wish to take.

#### **IV. Conclusion**

For these reasons, William B. McHenry, Jr. is held in civil contempt. A copy of this Order will be provided to the U.S. Attorney’s Office.

**SO ORDERED**, this the 3rd day of October, 2023.

s/ Carlton W. Reeves  
UNITED STATES DISTRICT JUDGE