UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF MISSISSIPPI
NORTHERN DIVISION

SECURITIES AND EXCHANGE COMMISSION, **Plaintiffs,** **v.** **ARTHUR LAMAR ADAMS AND MADISON TIMBER PROPERTIES, LLC,** **Defendants.**	**No: 3:18-cv-252-CWR-BWR** **Carlton W. Reeves, District Judge** **Bradley W. Rath, Magistrate Judge**

RECEIVER'S FEE APPLICATION

for the time period beginning June 1, 2026 and ending August 31, 2026

September 30, 2026

/s/ Alysson Mills

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Receiver for Arthur Lamar Adams and Madison Timber Properties, LLC

Introduction

For many years Arthur Lamar Adams, through his companies Madison Timber Company, LLC and Madison Timber Properties, LLC, operated a Ponzi scheme that defrauded hundreds of investors. On May 9, 2018, Adams pleaded guilty to the federal crime of wire fraud. On October 31, 2018, he was sentenced to 19.5 years in prison.

On June 22, 2018, the Court appointed me receiver of the estates of Adams and Madison Timber. The order of appointment sets forth my responsibilities and duties and provides that I shall receive reasonable compensation and reimbursement from the Receivership Estate.[1] The Court instructed me to file a fee application "[w]ithin 30 days after the end of every 60-day period while the Receivership is in effect."[2] On August 17, 2021, the Court authorized me "to report to the Court, and file any fee applications, on a quarterly basis."[3]

This is my fee application for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026. It contains the following parts:

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The Securities and Exchange Commission has received but has not had an opportunity to review this fee application. If it has objections, it may file them within 14 days.

[1] Doc. 33, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[2] Doc. 43 at p. 2, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[3] Text-only order, August 17, 2021, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

Receivership fee applications, generally

A receiver's duties "are unique to the facts and circumstances of each case."[4] It follows that a receiver's fees and expenses vary with the facts and circumstances of each case. The appointing court has broad discretion to determine the reasonableness of a receiver's fees and expenses.[5]

As before, in the course of preparing this fee application, I reviewed fee applications submitted by receivers in other Ponzi scheme cases, including *Securities and Exchange Commission v. Stanford International Bank, Ltd., et al.*, No. 09-cv-0298 (N.D. Tex.) ("*Stanford*"), and *U.S. Commodity Futures Trading Commission v. Trevor Cook, et al.*, No. 09-cv-3332 (D. Minn.) ("*Cook/Kiley*").

Fee applications vary in format but provide the same basic content: a summary of work to-date, a statement of hours expended by professionals, a calculation of professional fees based on applicable hourly rates, a statement of expenses incurred in the ordinary course of business, and a declaration that all fees and expenses are accurate and reasonable. I provide the same basic content here.

Although fee applications are filed in the court's public record, the underlying records of each professional's time typically are not. This is because such records necessarily include confidential information (such as victims' names) and information subject to attorney-client or other privileges. To publish such information in the court's public record also would risk disclosing the receiver's legal strategies to defendants. For these reasons, I provide underlying records of each professional's time only to the Court.

This fee application is for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026. As before, I offer the following context:

[4] 7 Bus. & Com. Litig. Fed. Cts. § 79:48 (4th ed.).

[5] "It is well settled that such allowances are largely within the discretion of the district court . . . ." *Commodity Credit Corp. v. Bell*, 107 F.2d 1001, 1001 (5th Cir. 1939).

The *Stanford* receiver's thirty-ninth fee application, approved in June 2016, asked for a total of $1,452,048.56 in fees and expenses in connection with general estate matters and, separately, for $191,059.44 in fees and expenses in connection with the receivership's claims process, both for a period of two months only. The court granted the *Stanford* receiver's request for $1,483,247.60, applying a 10% holdback for certain expenses.[6] Of course, at $7.2 billion, the *Stanford* Ponzi scheme was considerably bigger than the Ponzi scheme in this case.

The *Cook/Kiley* Ponzi scheme, at $190 million, is closer in size. The *Cook/Kiley* receiver's fee application, approved in January 2020, asked for a total of $82,547.90 in fees and expenses for eight months' work. That fee application was paid in full.[7]

Pre-established billing parameters

The Court adjusted the rates that my counsel and I bill in an order dated October 14, 2025.[8] Pursuant to that order, my counsel and I now bill at $350 an hour, with the exception of Brent Barriere, who bills at $400 an hour.

The Court's order of appointment authorizes me to incur expenses and make payments as in the ordinary course of business of the Receivership Estate[9] and, separately, to employ persons to assist me in carrying out my duties as Receiver.[10]

Any compensation or reimbursement "will be interim and will be subject to cost-benefit and final reviews at the close of the receivership."[11] Any fee application may, in the Court's discretion, be subject to a holdback in the amount of 25%.[12]

[6] Doc. 2323, Securities & Exchange Commission v. Stanford International Bank, Ltd., et al., No. 3:09-cv-298 (N.D. Tex.).

[7] Docs. 1427, U.S. Commodity Futures Trading Commission v. Trevor Cook, et al., No. 09-cv-3332 (D. Minn.).

[8] Doc. 426, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[9] Doc. 33 at p. 7–8, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[10] Doc. 33 at p. 8, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[11] Doc. 33 at p. 14, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

[12] Doc. 33 at p. 14–15, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

Receivership Estate's fees and expenses

Fees

The Receivership Estate's fees, including Receiver's fees and Receiver's counsel's fees, for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026 are:

	Rate	Hours	Total
Receiver's fees			
Alysson Mills	$350	5.09	$1,781.50
Receiver's counsel's fees			
Brent Barriere	$400	0	$0.00
Lilli Bass	$350	1.3	$455.00
Kaja Elmer	$350	0	$0.00
Paralegal	$150	0	$0.00
			$2,236.50

These fees are for work described in my Receiver's Reports filed on June 30, 2026 and September 30, 2026.[13] In addition to litigating the lawsuits styled *Alysson Mills v. Butler Snow, et al.*, No. 3:18-cv-866; and *Alysson Mills v. The UPS Store, Inc., et al.*, No. 3:19-cv-364 (see "*Contingency fee cases—hours not billed*," below), my colleagues and I continued to administer business of the Receivership Estate and communicate with investors. Records for that time for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026 shall be separately provided to the Court for *in camera* review.

My colleagues and I are sensitive to the Receivership Estate's limited resources and we hope our fees reflect that. We have not charged for work that we believe was duplicative. We have not charged for travel. Our rates are lower than market rates.

[13] Docs. 431 and 436, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

Expenses

The Receivership Estate's expenses for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026 are:

Printer and copier charges	-
Express mail and postage	-
Westlaw research and PACER fees	-
Service of process or other filing fees	-
Lexbe data storage	-
CPA	-
Website: WordPress fee for madisontimberreceiver.com	$499.00
	$499.00

Contingency fee cases—hours not billed

Separately, my counsel and I have recorded tens of thousands of hours on the lawsuits *Alysson Mills v. Butler Snow, et al.*, No. 3:18-cv-866; *Alysson Mills v. BankPlus, et al.*, No. 3:19-cv-196 (S.D. Miss.); *Alysson Mills v. The UPS Store, Inc., et al.*, No. 3:19-cv-364 (S.D. Miss.); and *Alysson Mills v. Trustmark, et al.*, No. 3:19-cv-941 (S.D. Miss.). These lawsuits have resulted in collections of $28,700,000 thus far.

In the interest of conserving the Receivership Estate's limited resources, Fishman Haygood LLP agreed to represent the Receivership Estate in these lawsuits on a contingency fee, or success-based, arrangement. Fishman Haygood LLP advances all costs and out-of-pocket expenses and bears the entire risk of any losses. This arrangement is consistent with the Court's order of appointment[14] and separate order regarding fee arrangement.[15] Of course any fee arrangement is subject to the continuing oversight of the Court—and any fees paid by the Receivership Estate,

[14] Doc. 43 at p. 10, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.) (the Receiver shall make "a recommendation as to whether litigation against third parties should be commenced on a contingent fee basis to").

[15] Doc. 154, Securities & Exchange Commission v. Adams, et al., No. 3:18-cv-252 (S.D. Miss.).

whether on an hourly basis or as a contingency fee, are subject to the Court's review and approval at an appropriate time.

Conclusion

I believe our team is still providing excellent value for cost when viewed in the context of other receiverships.

The Receivership Estate has distributed $32,000,000 to Madison Timber's victims for a total repayment of approximately 60% of net losses to date.

The Receivership Estate has $1,726,406.00 in the bank and anticipates additional recoveries from its two remaining lawsuits from which an additional distribution can be made.

I will continue to closely monitor all work for inefficiencies and unnecessary expense.

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DECLARATION OF ALYSSON MILLS

In support of the foregoing fee application for the approximately 90-day period beginning June 1, 2026 and ending August 31, 2026, I declare:

1. This application and all fees and expenses described in it are true and accurate.
2. The fees and expenses were incurred in the best interests of the Receivership Estate.
3. The fees are based on the rates agreed-upon in advance, which rates are reasonable, necessary, and commensurate with the skill and experience required for the work performed.
4. The fees are supported by records for time spent on services rendered, which I have separately provided to the Court for *in camera* review. The records set forth in reasonable detail an appropriate narrative description of the services rendered. The description includes indications of the participants in, as well as the scope, identification, and purpose of the activity that is reasonable under the circumstances.
5. The fees do not include time spent on the preparation of this application or its supporting documentation.
6. The expenses are supported by receipts or equivalent documents, which I have separately provided to the Court for *in camera* review.

7. With the exception of professionals I retained with the Court's prior approval, I have not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate or any sharing thereof.

DATED: September 30, 2026

Alysson Mills

Receiver