

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF MISSISSIPPI**

IN RE:

CHAPTER 11

EXPRESS GRAIN TERMINALS, LLC

CASE NO. 21-11832-SDM

**MOTION FOR APPOINTMENT OF CHAPTER 11 TRUSTEE**

**COMES NOW** Ashley Selman Farms Partnership, AN&K Farms, Lagniappe Planting Company, Triple L Farms & Livestock, LLC, Twin Bayou Farms, Parker Adcock d/b/a Island Farm, Dunn Farms III, Random Shot Farms, Southside Farm, E-Farm LLC, Killebrew Cotton Company, Osborn Farms, Porter Planting Company, Cattlemen’s Advantage, Inc., Murrah Hardy Farms, B & H Farms Partnership, Bruton Farms, AR Farms, Ashland Plantation, Buckhorn Farm Partners, PM Farms, Moody Farms, Ronnie Brown Farm, LLC, Ronnie Moss Farms, T & R Farms, Bobo Farms, Ellis & Ellis Farms, Lochleven, Wyatt Farms, William Dunn Farms II, Murdock Crossing, Bright Farms, Jason Hill and Bell Farms, Inc. (“Farm Group”), and files this Motion for Appointment of Chapter 11 Trustee, and in support thereof, would show as follows, to-wit:

1. This Court has jurisdiction over the subject matter herein and the parties hereto pursuant to 28 U.S.C. §1334, 11 U.S.C. §105, 11 U.S.C. §1104, §1107 and §1108, along with other related statutes and rules. This is a core proceeding as defined by 28 U.S.C. §157(b)(2)(A) and (O).

2. On September 29, 2021 (“Petition Date”), Express Grain Terminals, LLC (“Express Grain”) filed its voluntary petition for relief pursuant to Title 11, Chapter 11, of the United States Code. Petitions have also been filed by related entities, Express Bio-Diesel, LLC,

Case No. *21-11834-SDM*, Express Processing, LLC, Case No. *21-11835-SDM*, and by Express Grain's President, John Coleman, Case No. *21-11833-SDM*.

3. Express Grain presently remains a debtor-in-possession and, accordingly, continues to have exclusive dominion over its respective estate.

4. That as of the date this Motion is filed, Express Grain has not filed its Schedules and Statement of Financial Affairs<sup>1</sup>, it is impossible to know the total extent of Express Grain's total debt. But based on the claims that have been asserted in pleadings by just a few creditors, it is clear that Express Grain has no hope of reorganization.

5. It is clear that a number of creditors, including the Farm Group and their production lenders, are asserting competing liens on the same assets (i.e. the pre and post-petition corn and soybean). It cannot be denied that the local farmers' hard work produced all pre and post-petition corn and soybeans on which Express Grain's alleged secured lenders, UMB Bank, StoneX and Maquarie, assert a lien. These companies have millions, if not billions in capital, and can afford to wait while the debtor burns through the corn and soybeans to pay the administrative expenses of this case. The Farm Group does not have that luxury. This bankruptcy case has devastated the Farm Group's businesses and lives, and has severely impacted the economic viability of the entire Delta Area. While Express Grain's secured lenders will live to fight another day, it is not at all clear that many in the Farm Group will be so lucky, particularly if this company is allowed to continue to operate as a debtor-in-possession. The worst thing that can happen to the Farm Group is the continuation of this failing business in Chapter 11 and the substantial administrative expenses associated with its continued operations. The appointment of

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<sup>1</sup> Schedules and Statement of Financial Affairs are due to be filed November 5, 2021 [Dkt. #325].

a Chapter 11 trustee to liquidate this business and prevent further losses is in the best interest of the creditors of this estate.

6. The Farm Group's distrust of current management cannot be overcome. One farmer received two (2) checks on the date the bankruptcy petition was filed totaling almost \$2,000,000.00, representing in part, deliveries made post-petition. These checks were returned for insufficient funds, and the farmer still has not received payment for post-petition deliveries.

7. Express Grain appears to have claims against John Coleman, its president, and it is doubtful that Express Grain will timely pursue these claims.

8. Express Grain failed to properly disclose its financial status as late as the actual filing date of its bankruptcy petition, and misled farmers and other creditors.

9. That since the bankruptcy was filed, Express Grain has actively incurred astonishing expenses and has not taken any known steps to reduce operational expenses to the point that a liquidation is eminent.

10. Section 1004, Title 11 of the United States Code provides, in pertinent part, as follows:

- (a) At any time after the commencement of the case but before confirmation of a plan, on request of a party in interest or the United States trustee, and after notice and a hearing, the court shall order the appointment of a trustee—
- (1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor by current Management, either before or after the commencement of the case, or similar cause, but not including the number of holders of securities of the debtor or the amount of assets or liabilities of the debtor; *or*
  - (2) if such appointment is in the interests of the creditors, any equity security holders, and other interests of the estate, without regard to the number of holders of securities of the

debtor or the amount of assets or liabilities of the debtor.  
(Emphasis added)

11. Gross mismanagement has occurred both pre-petition and since the commencement of this bankruptcy.

12. The appointment of a trustee will be in the best interest of the creditors, in part, as follows:

- An independent party will be in control that will instill more confidence in the Farm Group and assist in stabilizing future deliveries of grain;
- Investigation and prosecution of all claims belonging to the bankruptcy estate against insiders and third parties;
- Immediate reduction of administrative expenses;
- Assistance with the determination of lien priority; and
- Coordination of the orderly liquidation of Express Grain's assets.

13. The appointment of a trustee is not in conflict with proposed §557 procedures, if they are implemented.

14. The Farm Group has a recommendation for the appointment of the Trustee who is experienced both professionally and personally with grain elevators and is uniquely situated for the nature of this case and the issues it presents.

15. For other good and sufficient reasons to be assigned at a hearing regarding this matter. Farm Group expressly reserves the right to amend this motion at any time prior to or during the hearing regarding this matter.


**WHEREFORE, PREMISES CONSIDERED,** Ashley Selman Farms Partnership, AN&K Farms, Lagniappe Planting Company, Triple L Farms & Livestock, LLC, Twin Bayou Farms, Parker Adcock d/b/a Island Farm, Dunn Farms III, Random Shot Farms, Southside Farm,

E-Farm LLC, Killebrew Cotton Company, Osborn Farms, Porter Planting Company, Cattlemen's Advantage, Inc., Murrah Hardy Farms, B & H Farms Partnership, Bruton Farms, AR Farms, Ashland Plantation, Buckhorn Farm Partners, PM Farms, Moody Farms, Ronnie Brown Farm, LLC, Ronnie Moss Farms, T & R Farms, Bobo Farms, Ellis & Ellis Farms, Lochleven, Wyatt Farms, William Dunn Farms II, Murdock Crossing, Bright Farms, Jason Hill and Bell Farms, Inc. respectfully request that upon a hearing regarding this matter, that the United States Trustee be directed to appoint a trustee, specifically Louis Phillips, over the Debtor's estate, and for such other relief as is deemed just.

Respectfully submitted,

Ashley Selman Farms Partnership, AN&K Farms, Lagniappe Planting Company, Triple L Farms & Livestock, LLC, Twin Bayou Farms, Parker Adcock d/b/a Island Farm, Dunn Farms III, Random Shot Farms, Southside Farm, E-Farm LLC, Killebrew Cotton Company, Osborn Farms, Porter Planting Company, Cattlemen's Advantage, Inc., Murrah Hardy Farms, B & H Farms Partnership, Bruton Farms, AR Farms, Ashland Plantation, Buckhorn Farm Partners, PM Farms, Moody Farms, Ronnie Brown Farm, LLC, Ronnie Moss Farms, T & R Farms, Bobo Farms, Ellis & Ellis Farms, Lochleven, Wyatt Farms, William Dunn Farms II, Murdock Crossing, Bright Farms, Jason Hill and Bell Farms, Inc.

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**CERTIFICATE OF SERVICE**

I, Eileen N. Shaffer, do hereby certify that I have this date served, via the ECF Notification Service, which provides electronic notice to all parties of record, a true and correct copy of the above and foregoing Motion for Appointment of Trustee.

**SO CERTIFIED**, this the 3rd day of November, 2021,

  
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EILEEN N. SHAFFER