
SO ORDERED,



A handwritten signature in black ink, reading "Selene D. Maddox".

Judge Selene D. Maddox

United States Bankruptcy Judge

The Order of the Court is set forth below. The case docket reflects the date entered.

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF MISSISSIPPI**

IN RE: JOHN COLEMAN

CASE NO.: 21-11833-SDM

DEBTOR

CHAPTER 11

**ORDER GRANTING EXAMINER'S MOTION TO CLARIFY ORDER APPOINTING
EXAMINER**

THIS CAUSE came before the Court for a telephonic hearing on May 17, 2022, on the Court-appointed chapter 11 examiner, Albert Altro's (the "Examiner") *Motion to Clarify Order Appointing Examiner* (the "Motion to Clarify") (Dkt. #161) and John Coleman's (the "Debtor") *Limited Response* (Dkt. #179). The Court also held a status hearing on June 3, 2022, to ascertain what issues the parties could not agree, which delayed the timely submission of a proposed order to this Court.

During the telephonic hearing on May 17, 2022, the Court heard arguments from Examiner's counsel and Debtor's counsel. As stated above, the Court also held a telephonic status hearing on June 3, 2022, during which the Court considered additional concerns posed by the parties, which included answers to questions raised by the Court. For good cause shown, the Court finds that clarification of the *Order Denying the Debtor's Motion to Dismiss and Ordering the Appointment of an Examiner*

Under 11 U.S.C. § 1104(c) (the “Appointment Order”) (Dkt. #94) is necessary to facilitate the Examiner’s investigation and examination of potential causes of action owned by, and property transferred by or on behalf of, the Debtor. The Court further finds that clarification of the Appointment Order is in the best interests of the Debtor’s bankruptcy estate and its creditors.

Therefore, the Examiner’s Motion to Clarify is hereby **GRANTED**, and the Appointment Order is hereby clarified as follows:

Each category of documents described below in the possession of the Federal Bureau of Investigation and/or the United States Attorney’s Office for the Northern District of Mississippi are within the Examiner’s investigatory authority to review, and copy as needed, pursuant to the Appointment Order, and are relevant to his examination in this bankruptcy case pursuant to 11 U.S.C. §§ 1104 & 1106:

A. Documents seized from Express Grain Terminals, LLC¹:

For the period January 1, 2018 – September 29, 2021

- Detailed general ledger of Express Grain Terminals, LLC’s cash disbursements;
- Payroll records pertaining to all members of John Coleman’s family employed by and/or compensated by Express Grain Terminals, LLC;
- Payroll records for all personnel on the executive team of and/or in management at Express Grain Terminals, LLC;
- Payroll records for all personnel in the IT Department of Express Grain Terminals, LLC;
- Detailed records, including check registers, of disbursements to all vendors and consultants, to include independent contractors, providing services to Express Grain Terminals, LLC;
- Engagement letters for all consultants (including independent contractors) providing services

¹ As used in this Order, “Express Grain Terminals, LLC,” in addition to Express Grain Terminals, LLC, chapter 11 debtor in Case No. 21-11832 (Bankr. N.D. Miss.), refers to chapter 11 debtors Express Biodiesel, LLC, Case No. 21-11834 (Bankr. N.D. Miss.), and Express Processing, LLC, Case No. 21-11835 (Bankr. N.D. Miss.).

to Express Grain Terminals, LLC;

- Organizational structure, including names of personnel, of Express Grain Terminals, LLC's IT Department;
- Organizational structure, including names of personnel, of Express Grain Terminals, LLC's Accounting Group/Department, including but not limited to personnel with position titles including Accounting Manager, Supervisor, Finance Director, Controller, Vice President, and Chief Financial Officer; and
- Organizational structure, including names of personnel, of Express Grain Terminals, LLC's Finance Group/Department, including but not limited to personnel with position titles including Finance Director, Budget Manager, Director of Financial Planning & Analysis, and Analyst.

B. Documents seized from John Coleman:

For the period January 1, 2018 – September 29, 2021

- Monthly bank statements for the Regions Bank checking account listed on line 17.1 of John Coleman's bankruptcy schedules;
- All monthly credit card statements for both open and closed accounts created by or on behalf of, or maintained by or on behalf of, John Coleman;
- All financial statements for Big Sand Properties, LLC (if none exist for the time period above, then the most recent financial statements available for Big Sand Properties, LLC);
- Detailed general ledger for Big Sand Properties, LLC in Excel format (if no ledger exists for the time period above, then a detailed general ledger for Big Sand Properties, LLC representing the company's last full year of activity);
- Monthly bank statements for Big Sand Properties, LLC (if none exist for the time period above, then the last full year of monthly bank statements for Big Sand Properties, LLC);
- Financial statements for Connected Medical Systems, LLC (if none exist for the time period above, then the most recent available set of Connected Medical Systems, LLC's financial statements);
- Detailed general ledger for Connected Medical Systems, LLC in Excel format (if no ledger exists for the time period above, then a detailed general ledger for Connected Medical Systems, LLC representing the company's last full year of activity);

- Monthly bank statements for Connected Medical Systems, LLC (if none exist for the time period above, then the last full year of monthly bank statements for Connected Medical Systems, LLC);
- Detailed list of all cryptocurrency accounts, wallets, and/or brokerage accounts representing an interest in cryptocurrency owned by John Coleman, whether open or closed; and
- Statements for any and all cryptocurrency accounts, wallets, and/or brokerage accounts representing an interest owned by John Coleman, whether open or closed.

It is unknown to the Court, the parties, and the parties' respective counsel the condition or organization status of the documents and records seized by and in the possession of at least one of the named government agencies. Therefore, it is **ORDERED** that the Examiner shall determine the exact location of the records and advise this Court and the Debtor's counsel of the date and time he intends to begin his review.²

It is further **ORDERED** that the Examiner shall, upon beginning his initial inspection of the documents and records in possession of the governmental agency or agencies, assess the general nature, scope, and condition of the records, to include, but not limited to, the manner in which the documents are stored, labeled, filed, and categorized and the number or volume of the documents being reviewed. The Examiner shall, within a reasonable window of time not to exceed four (4) hours from beginning his initial inspection, determine, to the best of his ability, the estimated time it will take him to search and review the records and shall advise the Court and the Debtor's counsel of his assessment as to the state of the records and the time estimate for his search and review.³ While this type of micromanagement is not, ordinarily, this Court's function, the

² The Court is imposing this notification requirement so that the Court can make itself available, and, therefore, the parties can make themselves available for a discussion of the Examiner's assessment.

³ The Examiner's counsel should immediately notify the Court and the Debtor's counsel of his assessment, and the Court will promptly conduct a telephonic status hearing to determine the scope of the Examiner's actions and investigation moving forward.

unknown state of the records, from a time and cost methodology and framework, inherently concerns this Court and all interested parties. Therefore, the Court is of the opinion that the procedures as set forth in this Order are necessary to prevent the bankruptcy estate from incurring inordinate and prohibitive expense.

Finally, it is hereby **ORDERED** that nothing in this Order shall be construed to prevent the Examiner from pursuing a more detailed investigation of other materials as necessary, in the Examiner's judgment, considering information discovered through his preliminary investigation of the above-described documents.

##END OF ORDER##