

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
NORTHERN DIVISION**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**ARTHUR LAMAR ADAMS AND  
MADISON TIMBER PROPERTIES, LLC,**

**Defendants,**

**Case No.**

**3:18-cv-252-CWR-FKB**

**SECOND UNOPPOSED MOTION FOR ORDER IMPOSING INTERIM  
RELIEF PENDING APPOINTMENT OF A TEMPORARY RECEIVER**

Plaintiff Securities and Exchange Commission (“Commission”) files this Second Unopposed Motion for entry of an Supplemental Order providing interim relief to further preserve the potential receivership estate in this matter pending the Court’s appointment of a temporary receiver. The proposed Supplemental Order specifically addresses concerns raised by David O’Donnell, Esq., of Clayton O’Donnell, PLLC, in Oxford, MS. Mr. O’Donnell is counsel for KAPA Breeze, LLC, a Mississippi limited liability company in which Defendant Arthur Lamar Adams owns an interest and is the managing member, and his concerns regard the

need for that entity to temporarily appoint a managing member and make payments with respect to a real estate development necessary to prevent impairment of that asset.

It is important for the Court to note that the proposed Supplemental Order would allow KAPA Breeze to “to make deposits and withdrawals from bank accounts which were frozen by previous order of this court, including the KAPA Breeze, LLC account maintained at \* \* \* under account number ending in \* \* \*, so as to continue to pay expenses and receive income as they come due in the ordinary course of business (subject to audit and challenge as specified below by the Temporary Receiver).”<sup>1</sup> Mr. O’Donnell requested that this relief be included in order to pay construction invoices relating to the real estate development that are due next week. Mr. O’Donnell represents that without such payment, workers will immediately leave the project, thereby causing harm to its value.

Counsel for the Commission has consulted counsel for the Defendants and counsel for the Secretary of the State of Mississippi, and has been advised that each consents to the entry of the proposed Supplemental Order, which the Commission is emailing to the Court’s chambers.

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<sup>1</sup> Based on conversations with Mr. O’Donnell, counsel for the SEC understands that there is approximately \$90,000 frozen in the KAPA Breeze account, and that all of that amount (plus additional funds contributed by the other LLC members) will be needed to meet KAPA Breeze’s construction costs.

Dated this 19th day of June, 2018.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that on this day, I filed the Plaintiff's Second Unopposed Motion for Order Imposing Interim Relief Pending Appointment of a Temporary Receiver via the Court's ECF system, which will provide copies to all counsel of record. I also served a copy of same to David O'Donnell, Esq., counsel for KAPA Breeze LLC, via email.

Dated this 19th day of June, 2018.

Respectfully submitted,

s/ W. Shawn Murnahan  
W. Shawn Murnahan