

IN THE UNITED STATES BANKRUPTCY COURT FOR
THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

IN RE:

PREMIER KINGS, LLC, et al.

Debtor.

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CHAPTER 11
CASE NO. 23-02871

RESPONSE TO MOTION FOR EXAMINATION OF PEOPLESOUTH BANK

COMES NOW PeoplesSouth Bank, by and through its attorney of record, Parnell & Parnell, P.A., and files this response (the “Response”) to the Motion for Examination of PeoplesSouth Bank (the “Motion”) filed by Plain Administrator Mark Smith (the “Plan Administrator”). In support of this response PeoplesSouth Bank (“Bank”) would show this Court as follows:

1. Through the Motion, the Plan Administrator seeks information from the Bank in furtherance of possible claims by the Plan Administrator against the now-deceased principal of the Debtors, Manraj Sidhu (“Sidhu”).

2. The Bank made loans to companies other than the Debtors owned in part or in whole by Sidhu, but the Bank has not made loans to any of the Debtors. Similarly, the Debtors have not executed security agreements, mortgages, or other security instruments granting the Bank a security interest in any of the Debtors’ assets.

3. Conceptually, the Bank does not dispute the Plan Administrator has the right to seek information from the Bank. However, the Bank does not necessarily agree with the factual statements contained in the Motion indicating or suggesting that the Debtors granted the Bank a lien or security interest in assets owned by the Debtors. To avoid its silence being construed as an admission of those statements, the Bank files this Response out of an abundance of caution to make clear that it does not concede that the Debtors granted the Bank any type of security interest in its assets owned by the Debtors.

4. The request of the Plan Administrator is grossly over broad and seeks protected documents and information. If this Court allows the discovery requests by the Plan Administrator then the Bank would reserve the right to object to certain items in his request before being required



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to produce the extensive list currently requested.

5. The Bank informs this Court that to comply with the discovery requests of the Plan Administrator will require the Bank to incur significant expense in employee time researching records and documents requested as well as copying expenses and other costs. Since the Bank, in the context of this case is not a direct creditor of this bankruptcy estate, the Bank would contend that the Plan Administrator should be required to compensate the Bank for its expenses. The Bank does not believe it would be in the best interests of this estate to waste funds in such a manner. Bank would insist that the Plan Administrator give the Bank full assurances that the reasonable expense be reimbursed by the Plan Administrator.

6. The Plan Administrator has not shown any good reason to request the Bank and numerous other similarly situated creditors to comply with the unreasonably broad request. The Plan Administrator has not shown that there is any D&O insurance policy that would cover any malfeasance by Mr. Sidhu.

7. It would be extremely difficult for the Bank to comply with the very short time frame requested by the Plan Administrator.

JOINDER

8. The Bank joints the responses of all other parties to the Motion or other motions filed at the same time as the Motion seeking similar relief from other parties to the extent such responses are not inconsistent with this Response.

WHEREFORE, THE PREMISES CONSIDERED, the Bank requests that any order granting the Motion (a) clarify that the Bank has not admitted the Plan Administrator's factual assertions upon which the requested relief is based and (b) reserve the Bank's right to assert objections to specific items of information request. The Bank also requests the Court grant it such other and different relief as the Court deems proper and just.

Dated: June 19, 2024

Respectfully submitted,

PARNELL & PARNELL, P.A.

/s/ Charles N. Parnell, III
By: CHARLES N. PARNELL, III
Attorney for PeoplesSouth Bank

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CERTIFICATE OF SERVICE

Service of the foregoing shall be made via ECF to all parties entitled to notice thereunder, and to the following via e-mail, and if e-mail is not available, via U.S. mail, on this the 19th day of June, 2024.

Hon. Bill D. Bensinger
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/s/ Charles N. Parnell, III
CHARLES N. PARNELL, III