

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

IN RE:)	
)	
TOPGALLANT GROUP, INC.,)	CHAPTER 7 BANKRUPTCY
)	CASE NO. 89-41997
DEBTOR)	
)	
JAMES L. DRAKE, JR., TRUSTEE,)	
)	
PLAINTIFF)	
)	
v.)	ADVERSARY PROCEEDING
)	NUMBER 91-4142
FRANK K. PEEPLES, SOUTHEASTERN)		
MARITIME CO., INC., PEEPLES)		
INDUSTRIES, INC., AMERICAN)		
MARITIME CO., INC., HEAVY LIFT)		
INC., EAST COAST TERMINAL CO.,)		
INC., CENTRAL EQUIPMENT CO.,)		
INC., WOODCHIPS EXPORT CO.,)		
INC., CHATHAM SHIPPING AGENCY)		
CO., INC., BULK TERMINAL)		
MANAGEMENT CORP., INC., PORT)		
ROYAL TERMINAL CORP., INC.,)		
SOUTHERN BULK IND., INC.,)		
TERMINAL SUPPLY CORP., INC.,)		
MATERIAL HANDLING &)		
ENGINEERING, INC., CHATHAM)		
SERVICE CORP., INC., FALCON)		
TOWING & BARGE CO., INC.,)		
SECURITY TERMINAL CO., INC.,)		
DARYN PEEPLES BERRINGER,)		
ASHLEY B. PEEPLES, FRANK K.)		
PEEPLES, JR., JOHN R. BENTON,)		
DEBRA M. STROUSE, ELIZABETH)		
C. PEEPLES, and FLEET FACTORS)		
CORP., INC., d/b/a AMBASSADOR)		
FACTORS,)		
)	
DEFENDANTS)	

ORDER ON MOTION FOR RECONSIDERATION

A co-defendant in the above-captioned case, Southeastern Maritime Company (Semco) has filed a motion requesting that the

Court reconsider its order entered on February 29, 1996. A hearing on the Motion For Reconsideration was held on April 1, 1996. This order is entered in accordance with the findings of fact and conclusions of law which were announced in open Court at the conclusion of the hearing.

The Court's February 29, 1996 order contains the following language as the last paragraph at the end of page 2:

ORDERED that the U.C.C. security interests which Debtor, Top Gallant Group, Inc., provided for the creditor identified as Semco, pursuant to the June 30, 1989 agreement, are found to be void as preferential transfers and/or fraudulent conveyances. 11 U.S.C. § 547, 548;...

Movant correctly points out that the Court did not avoid all of the U.C.C. security interests filings which occurred following the agreement conferring the security interests dated June 30, 1989. In fact the Court detailed specific U.C.C. security interest filings during the ninety day period prior to the filing of this case. It was to be those specific U.C.C. security interests filings which were to be avoided and not all such filings.

The filings to be avoided are itemized as follows:

<u>DATE</u>	<u>PLACE</u>
November 2, 1989	North Carolina
November 3, 1989	Washington
November 3, 1989	Michigan
November 3, 1989	Minnesota
November 6, 1989	Oregon/Ohio
November 6, 1989	Missouri
November 7, 1989	Oregon/Ohio

It was also erroneous for the Court to conclude that any transfers were avoided pursuant to 11 U.S.C. § 548. This order

will delete any reference to such a holding.

Now, therefore it is hereby

ORDERED that the last paragraph on page 2 of the Court's order of February 29, 1996, which paragraph is quoted hereinabove in this order, is hereby deleted in its entirety from the February 29, 1996 order; and it is hereby further

ORDERED that the U.C.C. security interests filings itemized above are hereby declared to be avoidable pursuant to 11 U.S.C. § 547; and it is hereby further

ORDERED that the February 29, 1996 order continues in full force and effect except as hereinabove amended.

DATED this 8th day of April, 1996.

JAMES D. WALKER, JR., Judge
United States Bankruptcy Court

CERTIFICATE OF SERVICE

I, Cheryl L. Spilman, certify that a copy of the attached and foregoing was mailed to the following:

JAMES L. DRAKE, JR.
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JOHN M. TATUM
Post Office Box 1567
Savannah, Georgia 31498-1567

This 8th day of April, 1996.

Cheryl L. Spilman
Deputy Clerk
United States Bankruptcy Court