

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	
	)	Chapter 11
Welded Construction, L.P., <i>et al.</i> ,	)	
	)	Case No. 18-12378 (CSS)
Debtors.	)	
_____	)	(Jointly Administered)
	)	
Welded Construction, L.P.,	)	
	)	
Plaintiff,	)	Adversary Proceeding No. 20-50944 (CSS)
	)	
vs.	)	
	)	JURY TRIAL DEMANDED
R-Value Foam Insulation, LLC,	)	
	)	
Defendant.	)	
_____	)	

**DEFENDANT, R-VALUE FOAM INSULATION, LLC'S ANSWER TO COMPLAINT TO  
AVOID AND RECOVER TRANSFERS PURSUANT TO 11 U.S.C. §§ 547, 548,  
AND 550 AND TO DISALLOW CLAIMS PURSUANT TO 11 U.S.C. § 502**

R-Value Foam Insulation, LLC (the "Defendant"), through its undersigned counsel, files the following Answer to Complaint to Avoid and Recover Transfers Pursuant to 11 U.S.C. §§ 547, 548, and 550 and to Disallow Claims Pursuant to 11 U.S.C. § 502 (the "Complaint"), averring as follows:

**NATURE OF THE CASE**

1. The Defendant submits that no response is required to the averments in paragraph 1. To the extent a response is required, the averments in paragraph 1 are denied.

2. The averments in paragraph 2 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 2 are denied.

**JURISDICTION AND VENUE**

3. The averments in paragraph 3 are admitted.

4. The averments in paragraph 4 are admitted.

5. The averments in paragraph 5 are admitted.

6. The averments in paragraph 6 are admitted.



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7. Defendant submits that no response is required to the averments in paragraph 7. To the extent a response is required, the averments in paragraph 7 are denied. By way of further response, the Defendant does not consent to the entry of final orders or judgment by this Court if it is determined that consent of the parties is required by this Court to enter final orders or judgment consistent with Article III of the United States Constitution.

#### **PROCEDURAL BACKGROUND**

8. The averments in paragraph 8 are admitted.

9. The averments in paragraph 9 are admitted.

10. The averments in paragraph 10 are admitted.

11. The Defendant is without sufficient information to admit or deny the averments in paragraph 11. To the extent a response is required, the averments in paragraph 11 are denied.

12. The Defendant is without sufficient information to admit or deny the averments in paragraph 12. To the extent a response is required, the averments in paragraph 12 are denied.

13. The averments in paragraph 13 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 13 are denied.

#### **THE PARTIES**

14. The averments in paragraph 14 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 14 are denied.

15. Defendant's principal place of business is located at 2800 E, Vernon Road, Rosebush, Michigan 48878. The Defendant is without sufficient information to admit or deny the averments in paragraph 15. To the extent a response is required, the averments in paragraph 15 are denied.

#### **FACTUAL BACKGROUND**

16. The Defendant is without sufficient information to admit or deny the averments in paragraph 16. To the extent a response is required, the averments in paragraph 16 are denied.

17. The Defendant is without sufficient information to admit or deny the averments in paragraph 17. To the extent a response is required, the averments in paragraph 17 are denied.

18. The Defendant is without sufficient information to admit or deny the averments in paragraph 18. To the extent a response is required, the averments in paragraph 18 are denied.

19. The Defendant is without sufficient information to admit or deny the averments in paragraph 19. To the extent a response is required, the averments in paragraph 19 are denied.

20. The Defendant is without sufficient information to admit or deny the averments in paragraph 20. To the extent a response is required, the averments in paragraph 20 are denied.

21. The Defendant is without sufficient information to admit or deny the averments in paragraph 21. To the extent a response is required, the averments in paragraph 21 are denied.

22. The Defendant is without sufficient information to admit or deny the averments in paragraph 22. To the extent a response is required, the averments in paragraph 22 are denied.

23. The Defendant is without sufficient information to admit or deny the averments in paragraph 23. To the extent a response is required, the averments in paragraph 23 are denied.

24. The Defendant is without sufficient information to admit or deny the averments in paragraph 24. To the extent a response is required, the averments in paragraph 24 are denied.

25. The Defendant is without sufficient information to admit or deny the averments in paragraph 25. To the extent a response is required, the averments in paragraph 25 are denied.

26. The Defendant is without sufficient information to admit or deny the averments in paragraph 26. To the extent a response is required, the averments in paragraph 26 are denied.

27. The Defendant is without sufficient information to admit or deny the averments in paragraph 27. To the extent a response is required, the averments in paragraph 27 are denied.

28. The Defendant is without sufficient information to admit or deny the averments in paragraph 28. To the extent a response is required, the averments in paragraph 28 are denied.

29. The Defendant is without sufficient information to admit or deny the averments in paragraph 29. To the extent a response is required, the averments in paragraph 29 are denied.

30. The Defendant is without sufficient information to admit or deny the averments in paragraph 30. To the extent a response is required, the averments in paragraph 30 are denied.

**CLAIMS FOR RELIEF**

**COUNT I**

**(Avoidance of Preference Period Transfers - 11 U.S.C. § 547)**

31. Paragraphs 1 through 30 are incorporated herein by reference.
32. The averments in paragraph 32 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 32 are denied.
33. The averments in paragraph 33 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 33 are denied.
34. The averments in paragraph 34 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 34 are denied.
35. The averments in paragraph 35 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 35 are denied.
36. The averments in paragraph 36 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 36 are denied.
37. The averments in paragraph 37 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 37 are denied.
38. The averments in paragraph 38 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 38 are denied.
39. The averments in paragraph 39 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 39 are denied.
40. The averments in paragraph 40 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 40 are denied.

**COUNT II**

**(Avoidance of Fraudulent Conveyances - 11 U.S.C. § 548(a)(1)(B))**

41. Paragraphs 1 through 40 are incorporated herein by reference.
42. The averments in paragraph 42 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 42 are denied.

43. The averments in paragraph 43 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 43 are denied.

**COUNT III**  
**(Recovery of Avoided Transfers - 11 U.S.C. § 550)**

44. Paragraphs 1 through 43 are incorporated herein by reference.

45. The averments in paragraph 45 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 45 are denied.

46. The averments in paragraph 46 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 46 are denied.

47. The averments in paragraph 47 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 47 are denied.

**COUNT IV**  
**(Disallowance of all Claims - 11 U.S.C. § 502(d) and (j))**

48. Paragraphs 1 through 47 are incorporated herein by reference.

49. The averments in paragraph 49 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 49 are denied.

50. The averments in paragraph 50 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 50 are denied.

51. The averments in paragraph 51 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 51 are denied.

52. The averments in paragraph 52 constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 52 are denied.

**DEMAND FOR JURY TRIAL**

The Defendant hereby demands trial by jury in this action of all issues so triable.

**PRAYER FOR RELIEF**

WHEREFORE, the Defendant requests that this case be dismissed.

**AFFIRMATIVE DEFENSES**

53. Paragraphs 1 through 52 are incorporated herein by reference.
54. Plaintiff fails to state a claim upon which relief can be granted.
55. All elements of a *prima facie* case under §§ 547, 548(a)(1)(B), 550 and 502(d) and (j) are not met.
56. At all relevant times, the Debtors were solvent.
57. Assuming, without conceding, that all of the elements of a *prima facie* case under 11 U.S.C. § 547(b) can be met, any and all transfers that the Defendant received are immune from avoidance by virtue of 11 U.S.C. § 547(c).

WHEREFORE, the Defendant requests that this case be dismissed.

Respectfully submitted,

LEECH TISHMAN FUSCALDO &  
LAMPL, LLC

Dated: November 30, 2020

By: /s/ Gregory W. Hauswirth  
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*Attorneys for Defendant, R-Value Foam  
Insulation, LLC*

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	)	
Defendant.	)	
_____	)	

**NOTICE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing has been served upon counsel of record this 30th day of November 2020, by the Court's electronic mail system and U.S. Mail, first class, postage prepaid, as follows:

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*(Counsel for the Post-Effective Date Debtors)*

/s/ Gregory W. Hauswirth