

**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. 20-50940 (CSS)
)	
vs.)	
)	JURY TRIAL DEMANDED
M. L. Chartier, Inc.,)	
)	
Defendant.)	
_____)	

**DEFENDANT'S ANSWER TO COMPLAINT TO AVOID AND
RECOVER TRANSFERS PURSUANT TO 11 U.S.C. §§ 547, 548 549, AND 550**

M.L. Chartier, Inc. (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, 550 and for relief under §§ 502(d) and (j) (the "Complaint") filed by Welded Construction, L.P. (the "Plaintiff") averring as follows:

NATURE OF THE CASE

1. The averments in paragraph 1 of the Complaint constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 1 of the Complaint are denied.

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



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JURISDICTION AND VENUE

3. The averments in paragraph 1 are admitted in part and denied in part. It is admitted that the Court has jurisdiction over the Bankruptcy Case, it is denied that the Court has the authority to determine all the claims asserted by the Trustee in the Complaint.

4. The averments in paragraph 4 of the Complaint constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 4 of the Complaint are denied.

5. The averments in paragraph 5 of the Complaint constitute a conclusion of law to which no response is required. To the extent a response is required, the averments in paragraph 5 of the Complaint are denied.

6. The averments in paragraph 6 are admitted.

7. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 7 of the Complaint. Therefore, the averments in paragraph 7 are denied. Pursuant to Local Bankruptcy Rule 7008-1, Defendant states that it does not consent to the entry of final orders or judgments by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments 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 lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 11 of the Complaint. Therefore, the averments in paragraph 11 are denied.

12. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 12 of the Complaint. Therefore, the averments in paragraph 12 are denied.

13. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 13 of the Complaint. Therefore, the averments in paragraph 13 are denied.

THE PARTIES

14. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 14 of the Complaint. Therefore, the averments in paragraph 14 are denied.

15. The averments in paragraph 15 are admitted in part, denied in part. It is admitted that the Defendant's principal place of business is located in Fair Haven, Michigan. The remainder of the averments in paragraph 15 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments in paragraph 15 of the Complaint are denied.

FACTUAL BACKGROUND

16. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 16 of the Complaint. Therefore, the averments in paragraph 16 are denied.

17. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 17 of the Complaint. Therefore, the averments in paragraph 17 are denied.

18. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 18 of the Complaint. Therefore, the averments in paragraph 18 are denied.

19. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 19 of the Complaint. Therefore, the averments in paragraph 19 are denied.

20. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 20 of the Complaint. Therefore, the averments in paragraph 20 are denied.

21. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 21 of the Complaint. Therefore, the averments in paragraph 21 are denied.

22. The averments in paragraph 22 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

23. The averments in paragraph 23 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

24. The averments in paragraph 24 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

25. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 25 of the Complaint. Therefore, the averments in paragraph 25 are denied.

26. The averments in paragraph 26 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

27. The averments in paragraph 27 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 27 of the Complaint. Therefore, the averments in paragraph 27 are denied.

28. The averments in paragraph 28 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 28 of the Complaint. Therefore, the averments in paragraph 28 are denied.

29. The averments in paragraph 29 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 29 of the Complaint. Therefore, the averments in paragraph 29 are denied.

30. The averments in paragraph 30 of the Complaint constitute conclusions of law to which no response is required. To the extent a response is required, the averments in paragraph 30 are denied.

CLAIM 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 Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 32 of the Complaint. To the extent that any further response is required, the averments in paragraph 32 of the Complaint are denied.

33. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 33 of the Complaint. To the extent that any further response is required, the averments in paragraph 33 of the Complaint 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 Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 37 of the Complaint. To the extent that any further response is required, the averments in paragraph 37.

38. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 38 of the Complaint. To the extent that any further response is required, the averments in paragraph 38.

39. The Defendant lacks knowledge or information sufficient to form a belief as to the truth of the averments in paragraph 39 of the Complaint. To the extent that any further response is required, the averments in paragraph 39 of the Complaint 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 are admitted in part and denied in part. It is admitted that the Defendant as not paid or turned over anything that relates to the transfers in question. The Defendant denies it is liable to turnover or pay anything related to the transfers in question.

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

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

WHEREFORE, Defendant requests this Court to dismiss this case with prejudice.

AFFIRMATIVE DEFENSES

54. Paragraphs 1 through 54 are incorporated herein by reference.

55. Plaintiff fails to state a claim upon which relief can be granted.
56. Defendant did not receive the transfers sought in the Complaint.
57. All elements of a *prima facie* case under §§ 547, 548, 549 and 550 are not met.
58. 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).
59. The Debtor received reasonably equivalent value for any payments made to the Defendant.

WHEREFORE, Defendant requests this Court to dismiss this case with prejudice.

Respectfully submitted,

LEECH TISHMAN FUSCALDO &
LAMPL, LLC

Dated: May 7, 2021

By: /s/ Gregory W. Hauswirth

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Attorneys for Defendant

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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 on May 7, 2021, by the Court's electronic mail system and U.S. Mail, first class, postage prepaid, as follows:

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