

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
Welded Construction, L.P., <i>et al.</i> ,	Case No. 18-12378 (LSS)
Debtors. ¹	(Jointly Administered)
<hr/>	
Welded Construction, L.P.,	
Plaintiff,	
vs.	Adv. No. 20-50932
Industrial Fabrics, Inc.,	
Defendant.	

**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFF'S MOTION
FOR SUMMARY JUDGMENT WITH RESPECT TO PLAINTIFF'S CLAIMS
AGAINST DEFENDANT INDUSTRIAL FABRICS, INC.**

Dated: March 30, 2022

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¹ The debtors in these chapter 11 cases (the "Debtors"), along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P (5008) and Welded Construction Michigan, LLC (9830).



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Pursuant to Federal Rule of Civil Procedure 56(a), made applicable herein pursuant to Federal Rule of Bankruptcy Procedure 7056, Welded Construction, L.P. (the “Plaintiff”) submits this memorandum of law in support of its *Motion for Summary Judgment with Respect to Plaintiff’s Claims Against Defendant Industrial Fabrics, Inc.* (the “Motion”).

Since there is no genuine issue of material fact as to each element under 11 U.S.C. § 547(b) of its *prima facie* case against Industrial Fabrics, Inc. (the “Defendant”) and Defendant is unable to meet the burden of proof of its 11 U.S.C. § 547(c) defenses, the undisputed material facts warrant summary judgment as a matter of law in Plaintiff’s favor.

I. STATEMENT OF NATURE AND STAGE OF PROCEEDINGS

On October 22, 2018 (the “Petition Date”), the above-captioned Debtors each commenced a bankruptcy case by filing a voluntary petition for relief in this Court under chapter 11 of the Bankruptcy Code. On June 25, 2020, the Court entered an order confirming the Debtors’ plan of liquidation. On July 31, 2020 the Debtors’ plan became effective and the Plan Administrator was appointed. On October 20, 2020, Plaintiff commenced this adversary proceeding to avoid and recover preferential transfers totaling \$280,349.42 (the “Transfers”) made by the Debtors to Defendant pursuant to 11 U.S.C. §§ 547, 548, and 550 and to disallow Defendant’s claims pursuant to 11 U.S.C. § 502.

II. SUMMARY OF ARGUMENT

1. The purpose behind the preference statute is referenced in the section’s very title: “preference” laws are designed to treat the unsecured creditors of a debtor equally, setting those unhappy creditors who received no payment at all in the 90 days before the petition date on equal footing with those “preferred” creditors fortunate enough to have received payment on owed debts during the same time period. Once it is established that a creditor received payments during

the aptly-named preference period, the presumption is that a payment is preferential unless and until a creditor can affirmatively establish that some or all of the payments were made in the ordinary course of business of the parties or that it gave new value after the fact.

2. In the instant case, Plaintiff has satisfied each of the elements of its *prima facie* case against Defendant set forth in 11 U.S.C. § 547(b) as follows:

- The Transfers were presumptively property of the Debtors because the transfers were drawn from the Debtors' account.
- The Transfers were for the benefit of Defendant, and the Transfers were made to and received by Defendant, satisfying 11 U.S.C. § 547(b)(1).
- The Transfers were made on account of antecedent debt owed by the Debtors as the transfers paid outstanding invoices due and owing, satisfying 11 U.S.C. § 547(b)(2).
- Defendant has provided no evidence to rebut the statutory presumption of 11 U.S.C. § 547(b)(3). Plaintiff is entitled to a presumption of insolvency under 11 U.S.C. § 547(f) and thus meets the requirements of 11 U.S.C. § 547(b)(3).
- The Transfers were made on or within 90 days of the Petition Date, satisfying 11 U.S.C. § 547(b)(4).
- As Defendant was an unsecured creditor of the Debtors, the Transfers enabled Defendant to receive more than it would have received through a hypothetical chapter 7 liquidation because the Debtors' other unsecured creditors will receive less than a 100% distribution. Thus, 11 U.S.C. § 547(b)(5) is satisfied as well.

3. Since there is no genuine issue of material fact as to each element of Plaintiff's *prima facie* case, the Transfers are avoidable unless Defendant can establish an affirmative defense. Pursuant to 11 U.S.C. § 547(g), Defendant bears the burden of proof of its 11 U.S.C. §

547(c) defenses. Thus, summary judgment for Plaintiff should be granted as a matter of law unless Defendant is successful in meeting its burden of proving an affirmative defense.

III. STATEMENT OF UNDISPUTED MATERIAL FACTS

1. On the Petition Date, the Debtors filed voluntary chapter 11 petitions for relief under the Bankruptcy Code. The 90-day preference period in the Debtors' bankruptcy cases is July 24, 2018 through and including October 22, 2018 (the "Preference Period").

2. During the Preference Period, the Debtors made and Defendant received three Transfers totaling \$280,349.42. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 4; App., p. A005 (Exhibit A – description of Transfers); App., pp. A006-8 (Exhibit B – copies of checks).

3. The Transfers were made via three checks from the Plaintiff's bank account. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 5; App., pp. A006-8 (Exhibit B – copies of checks).

4. The Transfers were made for Defendant's benefit or the benefit of a creditor. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 8; App., pp. A006-8 (Exhibit B – copies of checks); App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D – copies of invoices paid by the Transfers).

5. At the time the Transfers were made, the Defendant was a creditor of the Debtors. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 9; App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D – copies of invoices paid by the Transfers).

6. The Transfers comprised payments on antecedent debt, as the payments were made pursuant to obligations that arose prior to the payments. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶¶ 6-7, 11; App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D – copies of invoices paid by the Transfers).

7. Defendant had a right to receive the Transfers in satisfaction of or on account of

then-existing obligations or debts owed to it by the Debtors at the time the payments were made. *See App.*, pp. A001-4 (Krysztofik Decl.), at ¶ 6-7, 11; *App.*, p. A009 (Exhibit C – List of invoices paid by each Transfer); *App.*, p. A010 (Exhibit D –copies of invoices paid by the Transfers).

8. Pursuant to the schedules filed in this bankruptcy proceeding, the Plaintiff's liabilities greatly exceeded its assets. [Case No. 18-12378-KG, Bankr. D.I. 333]. Accordingly, there do not appear to be enough assets to pay general unsecured claims in full. *See App.*, pp. A001-4 (Krysztofik Decl.), at ¶ 12.

9. On October 20, 2020, Plaintiff filed a complaint to avoid the Transfers pursuant to 11 U.S.C. § 547 (the "Complaint"), initiating this Adversary Proceeding. [D.I. 1.] On November 10, 2020, Plaintiff served the Summons and Complaint upon Defendant. [D.I. 3.]

10. On January 7, 2021, Defendant filed an answer to the Complaint. [D.I. 13.]

11. On March 1, 2021, Plaintiff served its initial disclosures, as well as written discovery requests (the "Plaintiff's Discovery Requests") upon Defendant, as evidenced by the notice of service filed on the docket. [D.I. 16.]

12. On or about June 3, 2021, Defendant submitted responses to Plaintiff's Requests for Admissions (the "Defendant's Admissions"). *See App.*, pp. A028-33 (Defendant's Admissions).

13. On July 14, 2021, Eric Haber, the mediator appointed by the Court to this Adversary Proceeding, filed a *Certificate of Completion of Mediation* notifying the Court that following mediation the matter had not been resolved. [D.I. 23.]

IV. ARGUMENT

A. Legal Standard for Summary Judgment

In accordance with Bankruptcy Rule 7056, which incorporates Federal Rule of Civil

Procedure 56, summary judgment may be granted “if the pleadings, depositions, answers to interrogatories and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(c); *see Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986); *Am. & Efrid, Inc. (In re Pillowtex Corp.)*, 416 B.R. 123,126 (Bankr. D. Del. 2009). The moving party bears the burden of demonstrating the absence of any genuine issue of material fact, and all inferences to be drawn from the underlying facts must be viewed in the light most favorable to the party opposing the motion. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 249 (1986). A fact is considered material if it might affect the outcome of the suit under governing law. *See Id.* at 248.

If the moving party satisfies its burden, the party opposing the motion “must come forward with specific facts showing that there is a genuine issue for trial.” *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986). “If the adverse party does not so respond, summary judgment, if appropriate, shall be entered against the adverse party.” *Burtch v. Conn. Cmty. Bank (In re J. Silver Clothing, Inc.)*, 453 B.R. 518, 525 (Bankr. D. Del. 2011 (quoting Fed. R. Civ. P. 56). “The mere existence of a scintilla of evidence” in support of the non-moving party is not sufficient to show a genuine issue of material fact. *Anderson*, 477 U.S. at 252.

B. The Transfers Were Property of the Debtor

“For a preference to be voided under Section 547, it is essential that the debtor have an interest in the property transferred so that the estate is thereby diminished.” *Corel Petroleum, Inc. v. Banque Paribas-London*, 797 F.2d 1351, 1355-56 (5th Cir. 1986), *rev denied*, 801 F.2d 398 (5th Cir. 1986) (quoting *In re Castillo*, 39 B.R. 45, 46 (Bankr. D. Colo. 1984)). In this case,

the Transfers are presumptively the Plaintiff's property because they came from the Plaintiff's bank account. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 4-5; App., pp. A006-8 (Exhibit B – copies of checks).

C. Plaintiff's *Prima Facie* Case Is Satisfied

When all inferences to be drawn from the underlying facts are viewed in the light most favorable to Defendant, the pleadings and affidavits submitted in connection with this Adversary Proceeding show that there is no genuine issue as to the fact that Plaintiff has alleged all of the necessary elements to satisfy its *prima facie* case under 11 U.S.C. § 547(b), and Plaintiff is therefore entitled to judgment as a matter of law.

To be recoverable as a preferential transfer, a payment must satisfy all of the requirements of 11 U.S.C. § 547(b). Specifically, the transfer must have been:

- (1) made to or for the benefit of a creditor;
- (2) made for or on account of an antecedent debt owed by the debtor before such transfer was made;
- (3) made while the debtor was insolvent;
- (4) made on or within ninety (90) days before the date of filing of the petition; and
- (5) enabled the benefited creditor to receive more than such creditor would have received had the case been a chapter 7 liquidation and the creditor not received the transfer.

11 U.S.C. § 547(b).

The trustee or debtor in possession bears the burden of proving each of these elements by a preponderance of the evidence. 11 U.S.C. § 547(g); *Official Comm. of Unsecured Creditors v. Juniper Commc'ns, Inc. (In re Network Access Solutions Corp.)*, 320 B.R. 574, 576 (Bankr. D. Del. 2005).

1. The Transfers Were Made to Defendant, a Creditor of the Debtors

Defendant received the Transfers sought to be recovered by Plaintiff, as listed on Exhibit A to the Complaint. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 4; App. 005 (Exhibit A –

description of Transfers); App., pp. A006-8 (Exhibit B – copies of checks); App., pp. A028-33 (Defendant’s Admissions) at # 1.

The Transfers were made for the Defendant’s benefit. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 8; App., pp. A006-8 (Exhibit B – copies of checks); App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D –copies of invoices paid by the Transfers); App. A028-22 (Defendant’s Admissions) at # 4. Further, at the time the Transfers were made, Defendant was a creditor of the Debtors. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 9; App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D –copies of invoices paid by the Transfers); App pp. A028-33 (Defendant’s Admissions) at # 5. These facts provide uncontroverted evidence that the Transfers were made to Defendant, a creditor of the Debtors. 11 U.S.C. § 547(b)(1). Thus, the first element of Plaintiff’s claim is conclusively established.

2. The Transfers Were on Account of Debt Owed by the Debtors Before the Transfers Were Made, and Were Therefore “Antecedent” Within the Meaning of 11 U.S.C. § 547(b)(2)

A debt is antecedent if it is incurred prior to the transfer in question. *Fruehauf Trailer Corp. v. Gen. Bearing Corp. (In re Fruehauf Trailer Corp.)*, 96-01563 (PJW), 2008 WL 835693, *4 (Bankr. D. Del. Mar. 27, 2008) (quoting *In re Contempri Homes*, 269 B.R. 124, 127 (Bankr. M.D. Pa. 2001)). The facts in this case establish that the Transfers were payments on antecedent debt, as the payments were made pursuant to an obligation that arose prior to the payments. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 11; App., p. A009 (Exhibit C – List of invoices paid by each Transfer); App., p. A010 (Exhibit D –copies of invoices paid by the Transfers); App., pp. A028-33 (Defendant’s Admissions) at # 3. Thus, Defendant had a right to receive the Transfers in satisfaction of or on account of a then-existing obligation or debt owed to it by the

Plaintiff at the time the payments were made. *See* App., pp. A028-33 (Defendant's Admissions) at # 3. The second element of Plaintiff's case is therefore established.

3. The Debtors Were Insolvent at All Times During the Preference Period and Have the Benefit of the Statutory Presumption of Insolvency Under 11 U.S.C. § 547(f)

For purposes of the third element, a debtor is presumed insolvent during the ninety (90) days preceding the filing of the petition. *See* 11 U.S.C. § 547(f) *Waslow v. The Interpublic Grp. Of Cos. (In re M Group, Inc.)*, 308 B.R. 697, 700 (Bankr. D. Del. 2004). A creditor's lack of knowledge of the debtor's insolvency is no defense. *See Briden v. Foley*, 776 F.2d 379, 381, n. 3 (1st Cir. 1985) ("The requirement that the creditor have reasonable cause to believe that the debtor was insolvent at the time of the transfers was eliminated by Congress in the Bankruptcy Amendments and Federal Judgeship Act of 1984"); *In re Coco*, 67 B.R. 365, 371 (Bankr. S.D.N.Y. 1986). Because the debtor has the benefit of this presumption, "[t]he party seeking to rebut the presumption must introduce some evidence to show that the debtor was solvent at the time of the transfer." *In re Brothers Gourmet Coffees, Inc.*, 271 B.R. 456 (Bankr. D. Del. 2002). A party seeking to avoid a transfer may rest upon the presumption if the creditor fails to produce some evidence of solvency. *Id.* If the party seeking to rebut the presumption fails, there is no material issue as to the debtor's insolvency. *Id.*

In the instant case, Defendant has failed to produce or introduce any evidence to overcome the presumption of insolvency. The Plaintiff is therefore presumed to have been insolvent during the ninety (90) days prior to the Petition Date. Moreover, the Plaintiff's bankruptcy schedules demonstrate severe balance sheet insolvency as of the Petition Date. [Case No. 18-12378-LSS, Bankr. D.I. 333]. Therefore, insolvency cannot be questioned and there is no issue as to Plaintiff's success on this element of its claim.

4. The Transfers Occurred on or Within 90 Days of the Petition Date

For purposes of Section 547(b), a transfer by check occurs when the check is honored. *See In re M Group, Inc.*, 308 B.R. 697, 700 (Bankr. D. Del. 2004) (citing *Barnhill v. Johnson*, 503 U.S. 393, 112 S.Ct. 1386, 118 L.Ed.2d 39 (1992)). The Preference Period in this matter is July 24, 2018 through and including October 22, 2018. The Transfers were made during the Preference Period. *See* App., pp. A001-4 (Krysztofik Decl.), at ¶ 4; App., p. A005 (Exhibit A – description of Transfers); App., pp. A006-8 (Exhibit B – copies of checks); App., pp. A028-33 (Defendant’s Admissions) at # 2. Section 547(b)(4)(A) is therefore satisfied.

5. The Transfers Enabled the Defendant to Receive More Than it Would Have Received if the Transfers Had Not Been Made and the Defendant Received Payment of its Debt to the Extent Provided by the Bankruptcy Code

Whether a transfer meets the test of Section 547(b)(5) of the Bankruptcy Code requires the formulation of a hypothetical chapter 7 distribution of the debtor’s estate as it existed on the bankruptcy petition date. *Savage & Assoc. v. Mandl (In re Teligent, Inc.)*, 380 B.R. 324, 339 (Bankr. S.D.N.Y. 2008) Courts must determine whether the creditor obtained more pursuant to the transfer than the creditor would have received in a chapter 7 distribution without the transfer. 11 U.S.C. § 547(b)(5)

“Courts have consistently held that as long as the distribution in bankruptcy is less than 100 percent, any payment ‘on account’ to an unsecured creditor during the preference period will enable that creditor to receive more than he would have received in liquidation had the payment not been made.” *Id.* (citing *Scharffenberger v. United Creditors Alliance (In re Allegheny Health)*, 292 B.R. 68, 78 (Bankr. W.D. Pa. 2003); *see also In re Virginia-Carolina Fin. Corp.*, 954 F.2d 193, 198-99 (4th Cir. 1992); *accord In re Keystone Foods, Inc.*, 145 B.R. 502, 509 (Bankr. W.D. Pa. 1992)). Therefore, a transfer is usually preferential as long as the distribution

to unsecured trade creditors is less than 100% because a payment to a trade creditor during the preference period would enable that creditor to receive a 100% payment. *See In re Total Tech. Serv., Inc.*, 150 B.R. 893 (Bankr. D. Del. 1993).

In the instant case, unsecured creditors will not receive the 100% payout required for Defendant to defeat 11 U.S.C. § 547(b)(5). Pursuant to the schedules filed in the Debtors' cases, the Plaintiff's liabilities greatly exceed its assets. [Case No. 18-12378 (LSS), Bankr. D.I. 333.]; App., pp. A001-4 (Krysztofik Decl.), at ¶ 12. Accordingly, any distribution to general unsecured creditors will be far less than 100%. *Id.* Moreover, the Transfers were not secured by a perfected security interest in favor of the Defendant. App. pp. A028-33 (Defendant's Admissions) at # 10.

Plaintiff has accordingly met its burden of proving that the Transfers enabled Defendant to receive more than it would have received had the Debtors filed a chapter 7 case without having made the Transfers at issue.

The pleadings in this Adversary Proceeding, together with the declaration and attached exhibits, show there is no genuine issue as to any material fact with respect to the avoidability of the Transfers under Section 547(b). Accordingly, unless the Defendant is able to establish any affirmative defenses under Section 547(c), the Plaintiff is entitled to judgment as a matter of law.

D. The Plaintiff Need Not Introduce Evidence That the Exceptions to Avoidance Set Forth in 11 U.S.C. § 547(c) are Inapplicable to These Transfers

The moving party on summary judgment has no burden to negate or disprove matters for which the opponent has the burden of proof at trial. Indeed, the moving party need not produce any affirmative evidence at all on those matters. *See In re Brazier Forest Products, Inc.*, 921 F.2d 221, 223 (9th Cir. 1990). Defendant has the burden of proving the nonavoidability of the

Transfers by a preponderance of the evidence, and Plaintiff, as the moving party, may simply point to the absence of such to make its case. *See J.F. Feeser, Inc. v. Serv-A-Portion, Inc.*, 909 F.2d 1524, 1531 (3d Cir. 1990); *Hassett v. Altai, Inc. (In re CIS Corp.)*, 214 B.R. 108, 119 (S.D.N.Y. 1997). Moreover, “[b]ecause of the policy served by preference law, courts have repeatedly held that the exceptions contained in 11 U.S.C. § 547(c), including the ordinary course of business exception, ‘should be narrowly construed.’” *In re CIS Corp.*, 214 B.R. at 119-20 (quoting, *inter alia*, *In re First Software Corp.*, 81 B.R.211, 213 (Bankr. D. Mass. 1988)).

In the event that Defendant were to produce evidence in support of one or more affirmative defenses, Plaintiff reserves the right to reply with evidence and counterargument.

V. CONCLUSION

For the foregoing reasons, Plaintiff respectfully requests that this Court enter an order granting the Motion in its entirety and entering judgment in favor of Plaintiff in the principal amount of \$280,349.42.

Dated: March 30, 2022

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Attorneys for Plaintiff, Welded Construction, L.P.

¹ The debtors in these chapter 11 cases (the “Debtors”), along with the last four digits of each Debtor’s federal tax identification number, are: Welded Construction, L.P (5008) and Welded Construction Michigan, LLC (9830).

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**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. ¹	(Jointly Administered)
Welded Construction, L.P.,	
Plaintiff,	
vs.	
Industrial Fabrics, Inc.,	Adv. No. 20-50932
Defendant.	

**DECLARATION OF JACKLYN KRZYSZTOFIK IN SUPPORT OF PLAINTIFF’S
MOTION FOR SUMMARY JUDGMENT**

I, Jacklyn Krzysztofik, am the former Human Resources Manager for Welded Construction, L.P. (the “Plaintiff” and, together with Welded Construction Michigan, LLC, the “Debtors”). Upon the July 31, 2020 effective date of the Debtors’ court-approved Amended Plan of Liquidation (the “Effective Date”), I resigned my position as Human Resources Manager and became a consultant to the Debtors on a post-Effective Date basis. I submit this Declaration in support of the Plaintiff’s Memorandum of Law in Support of Motion for Summary Judgment, filed with this Court in the above-captioned Adversary Proceeding (the “Memorandum of Law”).²

1. I am an individual over the age of eighteen, and if called as a witness, I could and would competently testify to the facts set forth below.

2. In my capacity as the former Human Resources Manager for the Debtors, and in my capacity as a consultant to the Debtors on a post-Effective Date basis, I was and remain

¹ The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Welded Construction, L.P (5008) and Welded Construction Michigan, LLC (9830).

² All capitalized, undefined terms herein shall have the meanings assigned to them in the Memorandum of Law.

generally familiar with the Debtors' books and records, operations and vendor relationships. I am also familiar with the payments made by the Debtors to its various vendors within the 90-day period preceding the Debtors' bankruptcy filing date, which is July 24, 2018 through and including October 22, 2018 (the "Preference Period").

3. The following facts are within my knowledge and are based upon my review of the documents regarding these matters and pleadings in this action.

4. During the Preference Period, the Debtors made and Defendant received three (3) payments totaling \$280,349.42 (the "Transfers"). *See* Ex. "A" (Description of Transfers), Ex. "B" (check copies), attached hereto.

5. The Transfers were made via three checks from the Debtors' bank account. *See* Ex. "B" (check copies).

6. The Transfers constituted payments on three (3) invoices owed by the Debtors to Defendant. *See* Ex. "C" (List of invoices paid by each Transfer), Ex. "D" (copies of invoices paid by the Transfers), attached hereto.

7. The Transfers paid for goods and services provided by Defendant to the Debtors. *See* Ex. "C" (List of invoices paid by each Transfer), Ex. "D" (copies of invoices paid by the Transfers).

8. Each Transfer was made for Defendant's benefit. *See* Ex. "B" (check copies); Ex. "C" (List of invoices paid by each Transfer); Ex. "D" (copies of invoices paid by the Transfers).

9. At the time the Transfers were made, Defendant was a creditor of the Debtors. *See* Ex. "C" (List of invoices paid by each Transfer); Ex. "D" (copies of invoices paid by the Transfers).

10. The Transfers paid invoices between 54 and 88 days past invoice date. Ex. "C" (list of invoices paid by each Transfer); Ex. "D" (copies of invoices paid by the Transfers).

11. The Transfers were payments on antecedent debt, as the payments were made pursuant to an obligation that arose prior to the payments. *See* Ex. “C” (List of invoices paid by each Transfer); Ex. “D” (copies of invoices paid by the Transfers).

12. Pursuant to the schedules filed in this bankruptcy proceeding, the Plaintiff’s liabilities greatly exceeded its assets at the time of the Transfers. [Case No. 18-12378-LSS, Bankr. D.I. 333]. Accordingly, there do not appear to be enough assets to pay general unsecured claims in full.

13. Based on the Debtors’ records and analysis of the payment history between the parties prior to the Preference Period supplied by Defendant in discovery, the Debtors paid \$1,019,767.50 to Defendant on 14 invoices between June 2017 and June 2018 (the “Historical Period”). *See* Ex. “E” (list of invoices paid during the Historical Period), Ex. “F” (copies of invoices paid during Historical Period), attached hereto.

14. During the Historical Period, 93% of invoices were paid between 26 and 69 days past invoice date. Ex. “E” (list of invoices paid during the Historical Period), Ex. “F” (copies of invoices paid during Historical Period).

15. The following documents are true and accurate copies of the originals as they were contained in the Debtors’ books and records, or as they were produced by the Debtors in response to discovery requests made in connection with the above-captioned adversary proceeding, or summaries of the data contained in same, or as publicly available documents:

Exhibit A- Description of Transfers by check number, date, and amount.

Exhibit B- Copies of checks associated with the Transfers.

Exhibit C- List of invoices paid by each Transfer.

Exhibit D- Copies of invoices paid by each Transfer.

Exhibit E- List of invoices paid during Historical Period.

Exhibit F- Copies of invoices paid during Historical Period.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

Executed this 30th day of March, 2022.



Jacklyn Krzysztofik



Exhibit A
ASK LLP
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Checks That Cleared Within Preference Period

CheckNo	CheckDate	ClearDate	DeliveryDate	CheckAmt	TransType	Tp
118156	08/13/2018	08/13/2018	08/13/2018	\$ 82,829.42	ACH	PrefPeriod
118907	09/10/2018	09/10/2018	09/10/2018	\$ 98,760.00	ACH	PrefPeriod
119326	09/24/2018	09/24/2018	09/24/2018	\$ 98,760.00	ACH	PrefPeriod
Total				\$ 280,349.42		

Vendor: INDFAB Industrial Fabrics, Inc.

Welded Construction, L.P.**118156**

REF NO.	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
452959 VO	101623	6/20/2018	82,829.42	82,829.42	0.00	82,829.42

Welded Construction, L.P.P.O. Box 470
Perrysburg, Ohio 43552

DATE	CHECK NO.	AMOUNT
8/13/2018	118156	\$*****82,829.42

PAY Eighty-Two Thousand Eight Hundred Twenty-Nine and 42/100----- Dollars

TO THE
ORDER
OF

Industrial Fabrics, Inc.
510 O'Neal Lane Ext.
Baton Rouge, LA 70819

Welded Construction, L.P.**Industrial Fabrics, Inc.**

510 O'Neal Lane Ext.

Baton Rouge, LA 70819

Vendor: INDFAB	Check Date: 8/13/2018	Check Number: 118156	Check Printed by: BPATTERSON
----------------	-----------------------	----------------------	------------------------------

Ref Nbr	Inv Nbr	PO Nbr	Inv Date	Invoice Amount	Amount Paid	Disc Taken	Net Check Amt
452959 VO	101623	86737	6/20/2018	82,829.42	82,829.42	0.00	82,829.42

Vendor: INDFAB Industrial Fabrics, Inc.

Welded Construction, L.P.**118907**

REF NO.	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
467775 VO	101762	6/27/2018	98,760.00	98,760.00	0.00	98,760.00

Welded Construction, L.P.P.O. Box 470
Perrysburg, Ohio 43552

DATE	CHECK NO.	AMOUNT
9/10/2018	118907	\$*****98,760.00

PAY Ninety-Eight Thousand Seven Hundred Sixty and 00/100----- Dollars

TO THE Industrial Fabrics, Inc.
ORDER 510 O'Neal Lane Ext.
OF Baton Rouge, LA 70819

Welded Construction, L.P.**Industrial Fabrics, Inc.**

510 O'Neal Lane Ext.

Baton Rouge, LA 70819

Vendor: INDFAB	Check Date: 9/10/2018	Check Number: 118907	Check Printed by: RKRASULA
----------------	-----------------------	----------------------	----------------------------

Ref Nbr	Inv Nbr	PO Nbr	Inv Date	Invoice Amount	Amount Paid	Disc Taken	Net Check Amt
467775 VO	101762	87659	6/27/2018	98,760.00	98,760.00	0.00	98,760.00

Vendor: INDFAB Industrial Fabrics, Inc.

Welded Construction, L.P.**119326**

REF NO.	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
467776 VO	101763	6/28/2018	98,760.00	98,760.00	0.00	98,760.00

Welded Construction, L.P.P.O. Box 470
Perrysburg, Ohio 43552

DATE	CHECK NO.	AMOUNT
9/24/2018	119326	\$*****98,760.00

PAY Ninety-Eight Thousand Seven Hundred Sixty and 00/100----- Dollars

TO THE
ORDER
OF

Industrial Fabrics, Inc.
510 O'Neal Lane Ext.
Baton Rouge, LA 70819

Welded Construction, L.P.**Industrial Fabrics, Inc.**

510 O'Neal Lane Ext.

Baton Rouge, LA 70819

Vendor: INDFAB	Check Date: 9/24/2018	Check Number: 119326	Check Printed by: RKRASULA
----------------	-----------------------	----------------------	----------------------------

Ref Nbr	Inv Nbr	PO Nbr	Inv Date	Invoice Amount	Amount Paid	Disc Taken	Net Check Amt
467776 VO	101763	87659	6/28/2018	98,760.00	98,760.00	0.00	98,760.00



Exhibit C
 ASK LLP
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All Paid Invoices Within Preference Period

CheckNo	CheckAmt	CheckDate	ClearDate	DeliveryDate	InvNo	InvAmt	AmtPaid	InvDate	DueDate	DPD	I2Del	WI2Del	Age
118156	\$ 82,829.42	08/13/2018	08/13/2018	08/13/2018	101623	\$ 82,829.42	\$ 82,829.42	06/20/2018	07/20/2018	24	54	4472788.68	54
118907	\$ 98,760.00	09/10/2018	09/10/2018	09/10/2018	101762	\$ 98,760.00	\$ 98,760.00	06/27/2018	07/27/2018	45	75	7407000	75
119326	\$ 98,760.00	09/24/2018	09/24/2018	09/24/2018	101763	\$ 98,760.00	\$ 98,760.00	06/28/2018	07/28/2018	58	88	8690880	88

**Exhibit D**

ASK LLP

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Historical Invoices From Period 06/15/2017 to 06/30/2018

CheckNo	CheckAmt	CheckDate	ClearDate	DeliveryDate	InvNo	InvAmt	AmtPaid	InvDate	DueDate	DPD	I2DEL	WI2DEL	Age
111989	\$ 48,585.00	01/08/2018	01/08/2018	01/08/2018	98877	\$ 48,585.00	\$ 48,585.00	10/31/2017	11/30/2017	39	69	3352365	69
111572	\$ 90,182.50	12/21/2017	12/21/2017	12/21/2017	98586	\$ 90,182.50	\$ 90,182.50	10/11/2017	11/10/2017	41	71	6402957.5	71
110591	\$ 162,195.00	11/17/2017	11/17/2017	11/21/2017	98232	\$ 74,370.00	\$ 74,370.00	09/14/2017	10/14/2017	38	68	5057160	68
110591	\$ 162,195.00	11/17/2017	11/17/2017	11/21/2017	98480	\$ 87,825.00	\$ 87,825.00	09/14/2017	10/14/2017	38	68	5972100	68
110327	\$ 74,370.00	11/14/2017	11/14/2017	11/14/2017	98233	\$ 74,370.00	\$ 74,370.00	09/13/2017	10/13/2017	32	62	4610940	62
110083	\$ 74,370.00	11/07/2017	11/07/2017	11/07/2017	98167	\$ 74,370.00	\$ 74,370.00	09/10/2017	10/10/2017	28	58	4313460	58
109616	\$ 74,370.00	10/24/2017	10/24/2017	10/24/2017	98115	\$ 74,370.00	\$ 74,370.00	09/06/2017	10/06/2017	18	48	3569760	48
108810	\$ 38,250.00	09/28/2017	09/28/2017	09/28/2017	97750	\$ 38,250.00	\$ 38,250.00	08/04/2017	09/03/2017	25	55	2103750	55
108037	\$ 63,660.00	08/25/2017	08/25/2017	08/25/2017	97395	\$ 63,660.00	\$ 63,660.00	07/11/2017	08/10/2017	15	45	2864700	45
107815	\$ 151,485.00	08/17/2017	08/17/2017	08/17/2017	97230	\$ 63,660.00	\$ 63,660.00	07/03/2017	08/02/2017	15	45	2864700	45
107815	\$ 151,485.00	08/17/2017	08/17/2017	08/17/2017	97316	\$ 87,825.00	\$ 87,825.00	07/07/2017	08/06/2017	11	41	3600825	41
107514	\$ 67,800.00	08/03/2017	08/03/2017	08/03/2017	97226	\$ 67,800.00	\$ 67,800.00	07/01/2017	07/31/2017	3	33	2237400	33
105912	\$ 174,500.00	06/15/2017	06/15/2017	06/15/2017	96736	\$ 86,675.00	\$ 86,675.00	05/19/2017	06/18/2017	-3	27	2340225	27
105912	\$ 174,500.00	06/15/2017	06/15/2017	06/15/2017	96737	\$ 87,825.00	\$ 87,825.00	05/13/2017	06/12/2017	3	33	2898225	33



Customer WEL002

INDUSTRIAL FABRICS INC

since 1981

INDUSTRIAL FABRICS, INC.
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
6021 Morgantown Rd
Brett Bushman 360-812-1711
Morgantown, PA 19543
PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
06/20/18		TQL		Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
86737		06/19/18	P2	HS			PA000-00		87897
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
134.00	134.00	0.00	RG237	ROCKGUARD 11mm HD 4.75' X 50' STANDARD ROLL	N	273.1300	36599.42		
134	134	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	46230.00		

Industrial Fabrics 00013



Customer WEL002

INDUSTRIAL FABRICS, INC.
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

INDUSTRIAL FABRICS INC
since 1981

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION
STEVE ZWIEZEN 630-803-6121
1591 WHEELING AVE
GLEN DALE, WV 26038
WEST VIRGINIA TAX EXEMPT

Date	Ship Via			F.O.B.		Terms		Whse	
06/27/18				JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
87659		06/27/18	P2	HS			WV000-00		88021
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
1200	1200	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	96600.00		
864	864	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	2160.00		
</									

Invoice 101763**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION
 STEVE ZWIEZEN 630-803-6121
 1591 WHEELING AVE
 GLEN DALE, WV 26038
 WEST VIRGINIA TAX EXEMPT

Date		Ship Via			F.O.B.		Terms		Whse	
06/28/18					JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number	
87659		06/28/18	P2	HS			WV000-00		88045	
Quantity			Item Number	Description	Tax	Unit Price	Amount			
Req.	Ship	B.O.								
1200	1200	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	96600.00			
864	864	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	2160.00			
							</			

Industrial Fabrics 00015

Customer WEL002



INDUSTRIAL FABRICS INC

since 1981

INDUSTRIAL FABRICS, INC.
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
Jerry 318-680-0422
164 Motor Drome Rd
Smithton,, PA 15479
PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
07/01/17		Murphy		JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
65243		06/28/17	C10	HS		PA000-00		83512	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
192	192	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	66240.00		
624	624	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1560.00		
</									

Industrial Fabrics 00001

Invoice 97230**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981***INDUSTRIAL FABRICS, INC.**
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552**Ship To:**WELDED CONSTRUCTION, L.P.
Matt Jeanette 313-549-7745
169 Distribution Rd
Triadelphia, WV 26059
WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
07/03/17		Line Trans		Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
2016-04		07/03/17	P2	HS		WV000-00		83580	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F7120	ROCKGUARD HD 72" X 120" PADS	N	69.0000	62100.00		
624	624	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1560.00		

Invoice 97316**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

Welded Construction
 Brett Bushman (360)812-1711
 5981 Morgantown Rd
 Morgantown, PA 19543
 PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
07/07/17		TQL		Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
62463		07/06/17	C10	HS			PA000-00		83612
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
249	249	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	85905.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		
</									

Industrial Fabrics 00003

Invoice 97395**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981***INDUSTRIAL FABRICS, INC.**
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552**Ship To:**WELDED CONSTRUCTION, L.P.
Matt Jeanette 313-549-7745
169 Distribution Rd
Triadelphia, WV 26059
WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
07/11/17		Schneider		Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
2016-04		07/10/17	P2	HS			WV000-00		83651
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F7120	ROCKGUARD HD 72" X 120" PADS	N	69.0000	62100.00		
624	624	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1560.00		

Net due on 08/10/17							NonTaxable Subtotal	63660.00
							Taxable Subtotal	0.00
							Tax	0.00
							Total Invoice	63660.00

Industrial Fabrics 00004

Invoice 97750**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 Matt Jeanette 313-549-7745
 169 Distribution Rd
 Triadelphia, WV 26059
 WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
08/04/17		Murphy		Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
66524		07/10/17	P2	HS		WV000-00		83652	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
500	500	0	RG2F7120	ROCKGUARD HD 72" X 120" PADS	N	69.0000	34500.00		
1	1	0	FREIGHT	SHIPPING CHARGE	N	3750.0000	3750.00		
							</		

Industrial Fabrics 00005

Invoice 98115**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 STEVE ZWIEZEN 630-803-6121
 169 Distribution Rd
 Triadelphia, WV 26059
 WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
09/06/17		Long Shot				Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
		09/06/17	P2	HS			WV000-00		84411
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	72450.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		

Net due on 10/06/17							NonTaxable Subtotal 74370.00 Taxable Subtotal 0.00 Tax 0.00 Total Invoice 74370.00
---------------------	--	--	--	--	--	--	---

Industrial Fabrics 00006

Invoice 98167**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 STEVE ZWIEZEN 630-803-6121
 169 Distribution Rd
 Triadelphia, WV 26059
 WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
09/10/17		Long Shot		JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
		09/10/17	P2	HS		WV000-00		84461	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	72450.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		

<div> <div>Net due on 10/10/17</div> <div> <div>NonTaxable Subtotal</div> <div>Taxable Subtotal</div> <div>Tax</div> <div>Total Invoice</div> </div> </div>							<div>74370.00</div> <div>0.00</div> <div>0.00</div> <div>74370.00</div>
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Industrial Fabrics 00007

Invoice 98232**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981***INDUSTRIAL FABRICS, INC.**
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552**Ship To:**WELDED CONSTRUCTION, L.P.
STEVE ZWIEZEN 630-803-6121
169 Distribution Rd
Triadelphia, WV 26059
WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
09/14/17		OVALOS		JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
70013		09/12/17	P2	HS			WV000-00		84492
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	72450.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		

Invoice 98233**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 STEVE ZWIEZEN 630-803-6121
 169 Distribution Rd
 Triadelphia, WV 26059
 WEST VIRGINIA TAX EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
09/13/17		OVALOS		JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
70013		09/12/17	P2	HS		WV000-00		84491	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
900	900	0	RG2F8120	ROCKGUARD HD 84" X 120" PADS	N	80.5000	72450.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		

Industrial Fabrics 00009

Invoice 98480**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

Welded Construction
 Brett Bushman (360)812-1711
 5981 Morgantown Rd
 Morgantown, PA 19543
 PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms	Whse
09/14/17		OVALOS		Jobsite		Net 30 Days	HOU
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID	Our Order Number
70093		09/14/17	C10	HS		PA000-00	84534
Quantity			Item Number	Description	Tax	Unit Price	Amount
Req.	Ship	B.O.					
249	249	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	85905.00
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00
Net due on 10/14/17 <div> NonTaxable Subtotal 87825.00 Taxable Subtotal 0.00 Tax 0.00 Total Invoice 87825.00 </div>							Industrial Fabrics 00010 A023

Invoice 98586**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 6021 Morgantown Rd
 Brett Bushman 360-812-1711
 Morgantown, PA 19543
 PENNSYLVANIA EXEMPT

Date		Ship Via			F.O.B.		Terms		Whse	
10/11/17					Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number	
71871		10/09/17	P2	HS			PA000-00		84915	
Quantity			Item Number	Description	Tax	Unit Price	Amount			
Req.	Ship	B.O.								
307.00	307.00	0.00	RG224	ROCKGUARD 11mm HD 5' X 50' STANDARD ROLL	N	287.5000	88262.50			
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00			
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Industrial Fabrics 00011

Invoice 98877**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

WELDED CONSTRUCTION, L.P.
 6021 Morgantown Rd
 Brett Bushman 360-812-1711
 Morgantown, PA 19543
 PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
10/31/17		OVALOS		WAREHOUSE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project	Tax ID		Our Order Number	
73293		10/26/17	P2	HS		PA000-00		85169	
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
125	125	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	43125.00		
384	384	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	960.00		
1	1	0	FREIGHT	SHIPPING CHARGE	N	4500.0000	4500.00		

Industrial Fabrics 00012

Invoice 96736**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981*

INDUSTRIAL FABRICS, INC.
 510 O'NEAL LANE EXTENSION
 BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:

WELDED CONSTRUCTION, L.P.
 Ap@welded.com
 PERRYSBURG, OH 43552

Ship To:

Welded Construction
 Brad Bushman (360)812-1711
 5981 Morgantown Rd
 Morgantown, PA 19543
 PENNSYLVANIA EXEMPT

Date		Ship Via		F.O.B.		Terms		Whse	
05/19/17				Jobsite		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number
201603		05/19/17	C10	HS			PA000-00		82964
Quantity			Item Number	Description	Tax	Unit Price	Amount		
Req.	Ship	B.O.							
134	134	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	46230.00		
134.00	134.00	0.00	RG224	ROCKGUARD 11mm HD 5' X 50' STANDARD ROLL	N	287.5000	38525.00		
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00		

Invoice 96737**Customer WEL002****INDUSTRIAL FABRICS INC***since 1981***INDUSTRIAL FABRICS, INC.**
510 O'NEAL LANE EXTENSION
BATON ROUGE, LA 70819

Telephone: 225/273-9600

Bill To:WELDED CONSTRUCTION, L.P.
Ap@welded.com
PERRYSBURG, OH 43552**Ship To:**WELDED CONSTRUCTION, L.P.
MARTY - 501.249.5250
1221 GREENE ST.
WASHINGTON, PA 15301
PENNSYLVANIA EXEMPT

Date		Ship Via			F.O.B.		Terms		Whse	
05/13/17					JOBSITE		Net 30 Days		HOU	
Purchase Order Number		Order Date	Salesperson	Cust Slspr	Project		Tax ID		Our Order Number	
61889		05/13/17	C10	HS			PA000-00		82853	
Quantity			Item Number	Description	Tax	Unit Price	Amount			
Req.	Ship	B.O.								
249	249	0	RG206	ROCKGUARD 11mm HD 6' X 50' STANDARD ROLL	N	345.0000	85905.00			
768	768	0	RG901	ROCKGUARD TAPE RG400 3/4 X 60	N	2.5000	1920.00			
							</			

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:

Welded Construction, L.P., *et al.*

*Debtors.*¹

Welded Construction, L.P.,

Plaintiff,

vs.

Industrial Fabrics, Inc.,

Defendant.

Chapter 11

Case No: 18-12378 (CSS)

(Jointly Administered)

Adversary Proceeding No. 20-50932-CSS

**DEFENDANT'S RESPONSES TO PLAINTIFF'S
REQUEST FOR ADMISSIONS**

PROPOUNDING PARTY: PLAINTIFF, Welded Construction, L.P.

RESPONDING PARTY: DEFENDANT, Industrial Fabrics, Inc.

SET NO.: 1

Industrial Fabrics, Inc., the defendant in the above referenced adversary proceeding (the "Defendant"), hereby responds to the Request for Admissions dated March 1, 2021 propounded by Welded Construction, L.P. (the "Plaintiff").

GENERAL OBJECTIONS

The responses set forth below are submitted subject to the following objections. These objections are made in response to each and every individual request for admission and are incorporated by reference into each of the specific responses set forth below.

1. Defendant objects to each and every request for admission in the Admissions to the extent that they call for responses that are protected from disclosure by the attorney-client privilege, work-product doctrine and/or any other applicable privilege or protection from discovery.

2. Defendant objects to each and every request for admission in the Admissions to the extent that they call for responses that are not relevant or reasonably calculated to lead to the discovery of admissible evidence.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830)

3. Defendant objects to each and every request for admission in the Admissions to the extent that they call for responses that are not within the Defendant's possession, custody or control, or which are burdensome and oppressive for the Defendant to provide.

4. Defendant objects to the use of defined terms in the Admissions as vague, ambiguous, overbroad and improper to the extent they require reference to documents and other materials contained outside of the Admission.

The Preliminary Statement and General Objections are incorporated into each and all of the specific responses below.

The Defendant's research is ongoing and reserves the right to amend its responses to these Requests for Admissions in due course.

DEFENDANT'S RESPONSES TO REQUEST FOR ADMISSION

REQUEST FOR ADMISSION NO. 1

Admit that you received each of the Transfer(s) identified in the amount listed on Exhibit "A" attached to the Complaint.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 2

For each Transfer, admit that the Transfer was made during the Preference Period.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 3

For each Transfer, admit that you had a right to receive the Transfer in satisfaction of or on account of a then-existing obligation or debt owed to you by the Debtors at the time the payment was made.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 4

Admit that each Transfer was for your benefit or the benefit of a creditor.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 5

Admit that at the time you received each Transfer you were a creditor of the Debtors.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 6

Admit that each Transfer was, at the time it was made, on account of antecedent debt owed to you by the Debtors.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 7

Admit that the Debtors were insolvent at the time of each Transfer.

Response: The Defendant is unable to admit or deny this Request for Admission for lack of sufficient information. To the extent that a response is required, the Defendant denies.

REQUEST FOR ADMISSION NO. 8

Admit that You have no evidence to rebut the presumption of insolvency during the Preference Period.

Response: The Defendant is unable to admit or deny this Request for Admission for lack of sufficient information. To the extent that a response is required, the Defendant denies.

REQUEST FOR ADMISSION NO. 9

Admit that, with respect to each Transfer, you received a greater percentage of what was owed to you (with respect to the obligation(s) or debt(s) satisfied by the Transfer) than you would have received if the Transfer had not been made and the Debtors conducted a liquidation of business pursuant to Chapter 7 of Title 11 of the United States Code on the Petition Date.

Response: The Defendant is unable to admit or deny this Request for Admission for lack of sufficient information. To the extent that a response is required, the Defendant denies.

REQUEST FOR ADMISSION NO. 10

Admit that, with respect to each Transfer, you did not hold a fully perfected security interest in assets of the Debtors (other than the Transfer) equal to or exceeding the amount of the Transfer that secured satisfaction of the obligation or debt on account of which the Transfer was made.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 11

Admit that the maximum amount of subsequent new value extended during the Preference Period by You was \$0.00.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 12

Admit that after application of subsequent new value extended during the Preference Period by You, the net preference solely after application of the subsequent new value defense is not less than \$280,349.42.

Response: The Defendant admits.

REQUEST FOR ADMISSION NO. 13

For each Transfer, admit that the Transfer was not intended by either you or the Debtors to be in exchange for new Value to be conveyed contemporaneously with the Transfer.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 14

For each Transfer, admit that no New Value was exchanged contemporaneously with the Transfer.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 15

For each invoice or other obligation paid by each Transfer, admit that the invoice or obligation was paid later, earlier, or in a manner otherwise inconsistent with the prior course of dealings between you and the Debtors.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 16

For each invoice or other obligation paid by each Transfer, admit that the invoice or obligation was paid later, earlier, or in a manner otherwise inconsistent with the general practices of your industry.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 17

For each invoice or other obligation paid by each Transfer, admit that the invoice or obligation was paid later, earlier, or in a manner otherwise inconsistent with the general practices of the Debtor's industry.

Response: The Defendant is unable to admit or deny this Request for Admission for lack of sufficient information. To the extent that a response is required, the Defendant denies.

REQUEST FOR ADMISSION NO. 18

For each invoice or obligation paid by each Transfer, admit that the invoice or obligation was not secured by the Debtor as part of its normal business or financial affairs with you.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 19

For each Transfer, admit that the Transfer made by the Debtors was inconsistent with ordinary business terms.

Response: The Defendant denies.

REQUEST FOR ADMISSION NO. 20

If you contend that the Transfers were not made for your benefit, admit that the Transfers were for the benefit of another creditor.

Response: The Defendant does not so contend.

REQUEST FOR ADMISSION NO. 21

Other than the insolvency element of 11 U.S.C. §547(b)(3), admit that with respect to each of the Transfers that each of the elements of 11 U.S.C. §547(b) is satisfied.

Response: The Defendant is unable to admit or deny this Request for Admission for lack of sufficient information. To the extent that a response is required, the Defendant denies.

REQUEST FOR ADMISSION NO. 22

Admit that Defendant's name as set forth in the caption page of the Complaint is your correct legal name.

Response: The Defendant admits.

Dated: June 3, 2021

Respectfully submitted,

THE LAW OFFICE OF JAMES TOBIA, LLC

James Tobia, Esq. (#3798)
1716 Wawaset Street
Wilmington, DE 19806
Tel. (302) 655-5303; Fax (302) 656-8053
Email: jtobia@tobialaw.com

and

JONES & ASSOCIATES

By: /s/ Roland Gary Jones
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Fax: (212) 202-4416
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www.rolandjones.com
Application Pro Hac Vice to be filed

Counsels for the Defendant

To:
Nicholas C. Brown, Esq.
ASK LLP
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St. Paul, MN 55121
Tel. (651) 289-3867
Fax (651) 406-9676
Email: nbrown@askllp.com