

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

IN THE MATTER OF:

DETROIT MASONIC TEMPLE THEATRE  
COMPANY a/k/a DETROIT MASONIC TEMPLE  
THEATRE, INC.,

Chapter 7  
Case No. 13-52914-TJT  
Hon. Thomas J. Tucker

Debtor.

WENDY TURNER LEWIS, Trustee

Plaintiff,

vs.

Adversary Proceeding  
No.

RASHEED WALLACE,

Defendant.

**COMPLAINT**

The Chapter 7 Trustee Wendy Turner Lewis, by her counsel Gold, Lange & Majoros, P.C., for her Complaint states:

**Jurisdiction**

1. This is an adversary proceeding brought pursuant to Sections 544(b), 548 and 550 of Title 11 of the United States Code ("Code") and Fed. R. Bankr. P. 7001 to avoid and recover a fraudulent transfer and for a money judgment.

2. This matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(E) & 157(b)(2)(H) over which this court has jurisdiction pursuant to 28 U.S.C. § 1334.

### Facts

3. On June 30, 2013, Detroit Masonic Temple Theatre Company, a/k/a Detroit Masonic Temple Theatre, Inc. ("the debtor") filed a voluntary petition under Chapter 11 of the Bankruptcy Code. On April 2, 2014, the bankruptcy case was converted to a case under Chapter 7 of the Bankruptcy Code.

4. The debtor was a Michigan corporation incorporated on November 3, 2011. Michael J. Smith was the incorporator and resident agent of the debtor.

5. Plaintiff Wendy Turner Lewis is the duly appointed Trustee of the debtor's Chapter 7 bankruptcy estate.

6. Defendant Rasheed Wallace ("Wallace") is an individual who resides at 1979 Arthurs Way #2, Rochester Hills, Michigan 48306.

7. The debtor made the following transfer of its property to defendant:

<u>Date</u>	<u>Check Number</u>	<u>Fifth Third Account #</u>	<u>Amount</u>
11/8/2012	1069	xxxx0170	\$33,232.17

("the Transfer").

8. The debtor received less than reasonably equivalent value in exchange for the Transfer. In response to prior correspondence, the defendant has not produced any evidence that the debtor received value from the defendant in exchange for the Transfer.

9. At the time of the Transfer, the debtor had little or no assets, was in default on a number of loans, obligations, and unpaid bills, and generally was not paying its debts as they became due. Creditors holding claims against the debtor at the time of the Transfer remain

unpaid as of the June 30, 2013 petition date. Further, at the time of the Transfer, the debtor's assets at fair value were less than the debtor's total debts. Accordingly, the debtor was insolvent on the date of the Transfer or became insolvent as a result of the Transfer.

### **Count I Fraudulent Transfer**

10. Plaintiff restates the allegations contained in paragraphs 1 through 9 and incorporates them herein by reference.

11. The Transfer was concealed and not disclosed by debtor in the debtor's statement of financial affairs signed by debtor under penalty of perjury in the bankruptcy case. The debtor had knowledge of the claims of creditors and pending collection suits at the time the debtor made the Transfer. The debtor made the Transfer with the intent to hinder, delay, or defraud its creditors. 11 U.S.C. § 548(a)(1)(A) and 11 U.S.C. § 544(b), M.C.L. § 566.34(1)(a).

12. The debtor received less than a reasonably equivalent value in exchange for the Transfer, and: (1) was insolvent on the date of the Transfer, or became insolvent as a result of the Transfer; (2) was engaged in business for which any property remaining with the debtor was an unreasonably small capital; and/or (3) intended to incur or believed or reasonably should have believed that it would incur debts that would be beyond its ability to pay as such debts matured. The Transfer is therefore avoidable by Plaintiff pursuant to 11 U.S.C. § 548(a)(1)(B), 11 U.S.C. § 544(b), and M.C.L. § 566.34(b) & 566.35(l).

13. The Transfer was made to or for the benefit of defendant within the meaning of 11 U.S.C. § 550(a)(1). The Transfer is avoidable and recoverable from defendant by Plaintiff as a fraudulent transfer pursuant to 11 U.S.C. §§ 544(b), 548(a)(1)(B) and 550(a).

WHEREFORE, Plaintiff requests entry of a money judgment against defendant for at least \$33,232.17.

Respectfully Submitted,

GOLD, LANGE & MAJOROS, P.C.

Dated: February 12, 2015

/s/ Elias T. Majoros  
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