

Jurisdiction

1. The Bankruptcy Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. § 157 and 1334. This adversary proceeding is a core proceeding within the meaning of 28 U.S.C. § 157 (b)(2)(F), (K), and (O).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory basis for the relief requested herein is §§ 362, 547, 549, 550 and 551 of the Bankruptcy Code.

4. This Complaint seeks a judgment avoiding all of the judgment liens obtained by the defendants because their judgments were obtained within 90 days preceding the Petition Date (defined below) or after the Petition Date in violation of §§ 362 and 549, and to recover and preserve defendants' liens. In particular this Complaint seeks: (a) a judgment of this Court avoiding judgment liens obtained by Wachovia Bank, National Association ("Wachovia"), 1st Source Bank ("1st Source"), and Royal Bank of Canada ("Royal Bank") (collectively, the "Defendants") against the Debtor's estate within the 90 day period prior to the Petition Date (defined below) as preferences under § 547, (b) voiding the liens perfected in violation 11 U.S.C. § 362 of Royal Bank against the Debtor's estate located in Georgia, and the liens of the 1st Source against the Debtor's estate located in Georgia; (c) avoiding the liens of Royal Bank against the Debtor's estate located in Georgia, and the liens of the 1st Source against the Debtor's estate located in Georgia, which are unauthorized transfers of an interest of the estate, (d) recovering property of the estate under 11 U.S.C. § 550; and (e) under 11 U.S.C. § 551 preserving any of the defendants' liens for the estate that this Court avoids pursuant to 11 U.S.C. § 547.

The Parties

5. The Debtor is an individual and a resident of Hampton, Virginia, and is currently incarcerated at the federal penitentiary in Leavenworth, Kansas.

6. Upon information and belief, defendant Royal Bank is a banking corporation organized under the laws of Canada with a principal place of business in Toronto, Canada and also doing business in New York, New York.

7. Upon information and belief, defendant Wachovia is a national banking association organized under the laws of the United States with a principal place of business in Charlotte, North Carolina.

8. Upon information and belief, defendant 1st Source is a state bank organized and existing under the laws of Indiana with a principal place of business in St. Joseph County, Indiana.

Background

9. The Debtor is the owner of real property located at: (a) 21 Haywagon Trail, Hampton, Virginia 23669 (the "Hampton Real Property"); (b) 5108 W. Creek Court, Suffolk, Virginia 23435 (the "Suffolk Real Property"); (c) 3720 W. Carlos Hope, Williamsburg, Virginia 23185 (the "Williamsburg Real Property"); and (d) 2927 Darlington Run, Duluth, Georgia (the "Georgia Real Property"). The Hampton Real Property, Suffolk Real Property and the Williamsburg Real Property are hereafter collectively referred to as the Virginia Real Property.

The Debtor's Bankruptcy Filing

10. On July 7, 2008 (the "Petition Date"), the Debtor filed a voluntary petition with this Court under Chapter 11 of the United States Code (the "Bankruptcy Code").

Royal Bank's Judgment and Actions to Enforce

11. On or about September 19, 2007, Royal Bank commenced an action against the Debtor in the United States District Court for the Eastern District of Virginia, Newport News Division (the "EDVA"), seeking inter alia, to recover \$2,313,694.37 balance owed on a certain term note and a certain master facility letter, interest in the amount \$499.00 per diem and Royal Bank's attorneys' fees related to its collection efforts (the "Royal Bank Action").

12. On May 7, 2008, the EDVA entered a judgment on the Royal Bank Action (the "Royal Bank Judgment") pursuant to a consent order, in Royal Bank's favor in the amount of \$2,421,170.90, plus interest at rate of \$499.00 per day from September 19, 2007 to May 7, 2008, plus Royal Bank's attorneys' fees and costs in the amount of \$11,950.97, plus interest at the legal rate from May 7, 2008 until paid in full.

13. Subsequently, the Clerk of Court of the EDVA issued abstracts of the Royal Bank Judgment (the "Royal Bank Abstracts").

14. On May 12, 2008, Royal Bank caused a certified copy of the Royal Bank Judgment to be filed in the Clerk's Office for the City of Suffolk, Virginia.

15. On or about May 14, 2008, Royal Bank caused a certified copy of the Royal Bank Judgment to be filed in the Clerk's Office for the City of Hampton, Virginia.

16. On May 16, 2008, Royal Bank caused one of the Royal Bank Abstract to be filed in the Clerk's Office for the City of Suffolk, Virginia.

17. On or about May 27, 2008, Royal Bank caused one of the Royal Bank Abstracts to be filed in the Clerk's Office for the City of Hampton, Virginia.

18. On or about June 5, 2008, Royal Bank filed in the Clerk's Office of Gwinnett County, Georgia and Fulton County, Georgia: (a) an affidavit stating the names and last known

addresses of the Debtor and Royal Bank; and (b) an exemplified copy of the Royal Bank Judgment (the "Royal Bank Georgia Foreign Judgment Filings").

19. On July 10, 2008, three days after the Petition Date, the Superior Court of Gwinnett County, State of Georgia issued an order and final judgment on a proceeding for enforcement of foreign judgment in Royal Bank's favor (the "Royal Bank Gwinnett Judgment").

Wachovia's Judgment and Actions to Enforce

20. On May 13, 2008, in an action instituted by Wachovia against the Debtor, the United States District Court for the Northern District of Georgia, Atlanta Division (the "NDGA") issued a judgment (the "Wachovia Judgment"), in Wachovia's favor in the amount of \$1,117,908.85, and post-judgment interest as provided by law.

21. On June 5, 2008, the NDGA issued a writ of execution (the "Wachovia Writ of Execution"), which Wachovia recorded on June 10, 2008, with the Clerk of Court for the Superior Court of Gwinnett County, Georgia.

1st Source's Judgment and Actions to Enforce

22. On April 30, 2008, in an action instituted by 1st Source against Divine Seven, LLC and the Debtor, the United States District Court for the Northern District of Indiana, South Bend Division (the "NDI"), issued a judgment on consent (the "1st Source Judgment" and together with the Royal Bank Judgment and the Wachovia Judgment, the "Judgments"), in 1st Source's favor, in the sum of \$46,486.04 against Divine Seven LLC and the Debtor jointly and severally.

23. On May 1, 2008, the NDI issued certified copies of the 1st Source Judgment to 1st Source.

24. On May 5, 2008, 1st Source caused: (a) one of the 1st Source Judgments; (b) an affidavit pursuant to Virginia Code § 8.01-465.3; and (c) a notice thereof, to be filed in the Clerk's Office for the City of Suffolk, Virginia.

25. On May 5, 2008, 1st Source caused: (a) one of the 1st Source Judgments; (b) an affidavit pursuant to Virginia Code § 8.01-465.3; and (c) a notice thereof, to be filed in the Clerk's Office for James City, Virginia.

26. On May 6, 2008, 1st Source caused: (i) one of the 1st Source Judgments, (ii) an affidavit pursuant to Virginia Code § 8.01-465.3; and (iii) a notice thereof, to be filed in the Clerk's Office for the City of Hampton, Virginia.

27. On July 8, 2008, the day after the Petition Date, the Superior Court of Gwinnett County, Georgia issued a writ of fieri facias to 1st Source (the "1st Source Gwinnett Writ of Fi Fa").

28. On July 9, 2008, two days after the Petition Date, 1st Source caused the 1st Source Gwinnett Writ of Fi Fa to be filed and recorded with the Clerk of Court for the Superior Court of Gwinnett County, Georgia.

The Defendants' Judgment Liens On Real Property

29. Virginia Code § 8.01-458 provides that a judgment rendered in Virginia is a lien on all real estate as to which the defendant is possessed or entitled only from the time such judgment is recorded on the judgment lien docket in the clerks' office of the county or city where such land is located.

30. Under Virginia Code § 8.01-465.2 a judgment creditor may file an authenticated foreign judgment in the office of the clerk of any circuit court or any city or any county of Virginia and clerk shall treat the filed foreign judgment in the same manner as a domestic

judgment. Contemporaneously with the filing of the foreign judgment, the filer “shall make and file with the clerk of court an affidavit setting forth the name and last known post office address of the judgment debtor and the judgment creditor.” Virginia Code § 8.01-465.3. Thereafter, the clerk shall, among other things, mail notice thereof to the judgment debtor. See Id. A properly filed foreign judgment shall have the same effect and will be given the same treatment as a judgment of a circuit court of any city or county of Virginia. See Virginia Code § 8.01-465.2.

31. Under 28 U.S.C. § 1962 “[e]very judgment rendered by a district court within a State shall be a lien on the property located in such State in the same manner, to the same extent and under the same conditions as a judgment of a court of general jurisdiction in such State, and shall cease to be a lien in the same manner and time...”

32. Under Georgia law, a money judgment, decree, order or writ of fieri facias becomes a lien on real property when it is “recorded in the office of the clerk of the superior court of the county in which the real property is located and is entered in the indexes to the applicable records in the office of the clerk.” Georgia Code § 9-12-86.

33. Georgia Code §§ 9-12-86 and 9-12-132 provide that a foreign judgment, decree, order or writ of fieri facias does not become a lien upon real property until: (a) it is recorded in the office of the clerk of the superior court of the county in which the real property is located and is entered in the indexes to the applicable records in the office of the clerk; (b) an affidavit is filed showing the name and the last known address of the judgment debtor and judgment creditor; and (c) a copy of the authenticated foreign judgment is filed in the office of the clerk of any court of competent jurisdiction of Georgia.

The Defendants' Judgment Liens On Personal Property

34. Under Virginia Code §§ 801-501 and 801-478: (a) a writ of fieri facias shall be a lien on intangible personal property from the time it is delivered to a sheriff or other officer, or any person authorized to serve process pursuant to § 801-293; and (b) a writ of fieri facias becomes a lien on tangible personal property when it is actually levied by the officer to whom it was delivered for execution.

35. Georgia Code §§ 9-12-80 and 9-12-132 provide that the filing of an affidavit showing the name and the last known address of the judgment debtor and judgment creditor, and a copy of an authenticated foreign judgment in the office of the clerk of any court of competent jurisdiction of Georgia shall bind all the property of the defendant in judgment, both real and personal.

AS AND FOR THE DEBTOR'S FIRST CAUSE OF ACTION
(Against Royal Bank – Preference/Turnover - Virginia Real Property - § § 547 and 550 of the Bankruptcy Code)

36. The Debtor repeats and incorporates ¶¶ 1 through ¶ 35 of this Complaint as if fully set forth herein.

37. The filing of a certified copy of the Royal Bank Judgment in the City of Suffolk had the effect of fixing a judgment lien on May 12, 2008, in favor of Royal Bank upon the Suffolk Real Property, which was within the 90 day period preceding the Petition Date.

38. The filing of a certified copy of the Royal Bank Judgment in the City of Hampton had the effect of fixing a judgment lien on May 14, 2008, in favor of Royal Bank upon the Hampton Real Property, which was within the 90 day period preceding the Petition Date.

39. To the extent that Royal Bank filed one of the Royal Bank Abstracts or a certified copy of the Royal Bank Judgment in the County of James City between the date that the Royal

Bank Judgment was issued (May 7, 2008) and the Petition Date, such filing had the effect of fixing a judgment lien in favor of Royal Bank upon the Williamsburg Real Property, which was within the 90 day period preceding the Petition Date.

40. Royal Bank's fixing of liens on the Virginia Real Property (the "Royal Bank Virginia Real Property Judgment Liens") were transfers of interests in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

41. The fixing of the Royal Bank Virginia Real Property Judgment Liens were made on or account of an antecedent debt owed by the Debtor to Royal Bank.

42. The Debtor was insolvent at the time the Royal Bank Virginia Real Property Judgment Liens were fixed.

43. The fixing of the Royal Bank Virginia Real Property Judgment Liens allow Royal Bank to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfers had not been made; and (c) Royal Bank received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

44. The fixing of the Royal Bank Virginia Real Property Judgment Liens in favor of Royal Bank upon the Virginia Real Property are avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE DEBTOR'S SECOND CAUSE OF ACTION
(Against Royal Bank - Preference/Turnover – Personal Property located in Virginia - §§ 547 and 550 of the Bankruptcy Code)

45. The Debtor repeats and incorporates ¶¶ 1 through ¶ 44 of this Complaint as if fully set forth herein.

46. To the extent that Royal Bank delivered a writ of fieri facias to a sheriff or other officer, or person authorized to serve process in Virginia within the 90 day period preceding the

Petition Date, such action had the effect of fixing a judgment lien in favor of Royal Bank upon the Debtor's intangible personal property located in Virginia ("Royal Bank Intangible Personal Property Judgment Lien").

47. To the extent that Debtor's tangible personal property has been levied upon by an officer in receipt of a writ of fieri facias delivered by Royal Bank within the 90 day period preceding the Petition Date, such action had the effect of fixing a judgment lien in favor of Royal Bank upon the Debtor's tangible personal property located in the Virginia ("Royal Bank Virginia Tangible Personal Property Judgment Lien" and together with the Royal Bank Intangible Personal Property Judgment Lien the "Royal Bank Virginia Personal Property Judgment Liens").

48. To the extent that the Royal Bank Personal Property Judgment Liens were fixed, such actions were transfers of interests in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

49. To the extent that the Royal Bank Virginia Personal Property Judgment Liens were fixed, such actions were made on or account of an antecedent debt owed by the Debtor to Royal Bank.

50. To the extent the Royal Bank Virginia Personal Property Judgment Liens were fixed, such liens were fixed within the 90 day period preceding the Petition Date while the Debtor was insolvent.

51. To the extent that Royal Bank fixed the Royal Bank Virginia Personal Property Judgment Liens, such actions will allow Royal Bank to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfers had not been made; and (c) Royal Bank received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

52. To the extent the Royal Bank Virginia Personal Property Judgment Liens were fixed in favor of Royal Bank upon Debtor's tangible and intangible personal property located in Virginia, such liens are avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE THIRD CAUSE OF ACTION
(Against Royal Bank Preference/Turnover - Georgia Real Property – §§ 547 and 550 of the Bankruptcy Code)

53. The Debtor repeats and incorporates ¶¶ 1 through ¶ 52 of this Complaint as if fully set forth herein.

54. To the extent that the June 5, 2008 Royal Bank Georgia Foreign Judgment Filings had the effect of fixing a judgment lien in favor of Royal Bank upon the Georgia Real Property, such judgment lien (the "Royal Bank Georgia Real Property Judgment Lien") obtained by Royal Bank was within the 90 day period preceding the Petition Date.

55. The fixing of the Royal Bank Georgia Real Property Judgment Lien was a transfer of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

56. The fixing of the Royal Bank Georgia Real Property Judgment Lien was made on or account of an antecedent debt owed by the Debtor to Royal Bank.

57. The Debtor was insolvent at the time the Royal Bank Georgia Real Property Judgment Lien was fixed.

58. The fixing of the Royal Bank Georgia Real Property Judgment Lien allows Royal Bank to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfer had not been made; and (c) Royal Bank received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

59. The fixing of the Royal Bank Georgia Real Property Judgment Lien in favor of Royal Bank upon the Georgia Real Property is avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE FOURTH CAUSE OF ACTION
(As Against Royal Bank Preference/Turnover - Georgia Personal Property – §§ 547 and 550 of the Bankruptcy Code)

60. The Debtor repeats and incorporates ¶¶ 1 through ¶ 59 of this Complaint as if fully set forth herein.

61. The domestication of the Royal Bank Judgment in Georgia had the effect of fixing a judgment lien on or about June 5, 2008 in favor of Royal Bank upon the Debtor's personal property located in Georgia (the "Royal Bank Georgia Personal Property Judgment Lien"), which was within the 90 day period preceding the Petition Date.

62. The fixing of the Royal Bank Georgia Personal Property Judgment Lien was a transfer of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

63. The fixing of the Royal Bank Georgia Personal Property Judgment Lien was made on or account of an antecedent debt owed by the Debtor to Royal Bank.

64. The Debtor was insolvent at the time the Royal Bank Georgia Personal Property Judgment Lien was fixed.

65. The fixing of the Royal Bank Georgia Personal Property Judgment Lien allows Royal Bank to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfer had not been made; and (c) Royal Bank received payment of his debt to the extent provided by the provisions of the Bankruptcy Code.

66. The fixing of the Royal Bank Georgia Personal Property Judgment Lien in favor of Royal Bank upon the Debtor's personal property located in Georgia is avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE FIFTH CAUSE OF ACTION
(As Against Royal Bank – Invalid Lien - Georgia Real Property and Georgia Personal Property - § 362 of the Bankruptcy Code)

67. The Debtor repeats and incorporates ¶¶ 1 through ¶ 66 of this Complaint as if fully set forth herein.

68. The issuance of the Royal Bank Gwinnett Judgment on July 10, 2008, three days after the Petition Date, was the continuation of a judicial proceeding against the Debtor that was commenced before the Petition Date to recover a claim against the Debtor that arose prior to the Petition Date.

69. The issuance of the Royal Bank Gwinnett Judgment on July 10, 2008, was an act to create, perfect and/or enforce a lien in favor of Royal Bank against the property of the estate (the Georgia Personal Property).

70. The recording of the Royal Bank Gwinnett Judgment on the general execution docket in Gwinnett County, Georgia on July 10, 2008, three days after the Petition Date, was an act to create, perfect and/or enforce a lien in favor of Royal Bank against the property of the estate (the Georgia Real Property).

71. Accordingly, the Royal Bank Georgia Real Property Judgment Lien and the Royal Bank Georgia Personal Property Judgment Lien are both invalid because they were created, perfected and/or enforced in violation of the automatic stay as provided under 11 U.S.C. § 362.

AS AND FOR THE SIXTH CAUSE OF ACTION

(As Against Royal Bank – Invalid Lien - Georgia Real Property and Georgia Personal Property - § 549 of the Bankruptcy Code)

72. The Debtor repeats and incorporates ¶¶ 1 through ¶ 71 of this Complaint as if fully set forth herein.

73. The issuance of the Royal Bank Gwinnett Judgment on July 10, 2008, was a transfer of property of the estate (the Georgia Personal Property) that occurred after the Petition Date and was not authorized under the Bankruptcy Code or by this Court.

74. The recording of the Royal Bank Gwinnett Judgment on the general execution docket in Gwinnett County, Georgia, on July 10, 2008, was a transfer of property of the estate (the Georgia Real Property) that occurred after the Petition Date and was not authorized under the Bankruptcy Code or by this Court.

75. The fixing of the Royal Bank Georgia Real Property Judgment Lien and the Royal Bank Personal Property Judgment Lien in favor of Royal Bank upon the Debtor's property located in Georgia is avoidable § 549 of the Bankruptcy Code.

AS AND FOR THE DEBTOR'S SEVENTH CAUSE OF ACTION

(Against Wachovia - Preference/Turnover - Georgia Real Property - §§ 547 and 550 of the Bankruptcy Code)

76. The Debtor repeats and incorporates ¶¶ 1 through ¶ 75 of this Complaint as if fully set forth herein.

77. The recording of the Writ of Execution with the Clerk of Court of the Superior Court of Gwinnett County, Georgia, had the effect of fixing a judgment lien on June 10, 2008, in favor of Wachovia upon the Georgia Real Property, which was within the 90 day period preceding the Petition Date.

78. Wachovia's fixing of a lien on the Georgia Real Property (the "Wachovia Georgia Real Property Judgment Lien") was a transfer of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

79. The fixing of the Wachovia Georgia Real Property Judgment Lien was made on or account of an antecedent debt owed by the Debtor to Wachovia.

80. The Debtor was insolvent at the time the Wachovia Georgia Real Property Judgment Lien was fixed.

81. The fixing of the Wachovia Georgia Real Property Judgment Lien allows Wachovia to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfer had not been made; and (c) Wachovia received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

82. The fixing of the Wachovia Georgia Real Property Judgment Lien in favor of Wachovia upon the Georgia Real Property is avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE DEBTOR'S EIGHTH CAUSE OF ACTION
(Against Wachovia - Preference/Turnover - Georgia Personal Property - §§ 547 and 550 of the Bankruptcy Code)

83. The Debtor repeats and incorporates ¶¶ 1 through ¶ 82 of this Complaint as if fully set forth herein.

84. The issuance of the Wachovia Judgment had the effect of fixing a judgment lien on May 13, 2008, in favor of Wachovia upon the Georgia Personal Property, which was within the 90 day period preceding the Petition Date.

85. Wachovia's fixing of a lien on the Georgia Personal Property (the "Wachovia Georgia Personal Property Judgment Lien") was a transfer of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

86. The fixing of the Wachovia Georgia Personal Property Judgment Lien was made on or account of an antecedent debt owed by the Debtor to Wachovia.

87. The Debtor was insolvent at the time the Wachovia Georgia Personal Property Judgment Lien was fixed.

88. The fixing of the Wachovia Georgia Personal Property Judgment Lien allows Wachovia to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfer had not been made; and (c) Wachovia received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

89. The fixing of the Wachovia Georgia Personal Property Judgment Lien in favor of Wachovia upon the Georgia Personal Property is avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE DEBTOR'S NINTH CAUSE OF ACTION
(Against 1st Source - Preference/Turnover - Virginia Real Property - §§ 547 and 550 of the Bankruptcy Code)

90. The Debtor repeats and incorporates ¶¶ 1 through ¶ 89 of this Complaint as if fully set forth herein.

91. The domestication of the 1st Source Judgment and the Clerk's recording thereof on the judgment lien docket in the Clerk's office of the City of Suffolk had the effect of fixing a judgment lien on May 5, 2008, in favor of 1st Source upon the Suffolk Real Property, which was within the 90 day period preceding the Petition Date.

92. The domestication of the 1st Source Judgment and the Clerk's recording thereof on the judgment lien docket in the Clerk's office of the City of James City had the effect of fixing a judgment lien on May 5, 2008, in favor of 1st Source upon the Williamsburg Real Property, which was within the 90 day period preceding the Petition Date.

93. The domestication of the 1st Source Judgment and the Clerk's recording thereof on the judgment lien docket in the Clerk's office of the City of Hampton had the effect of fixing a judgment lien on May 6, 2008, in favor of 1st Source upon the Hampton Real Property, which was within the 90 day period preceding the Petition Date.

94. 1st Source's fixing of liens on the Virginia Real Property (the "1st Source Virginia Real Property Judgment Liens") were transfers of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

95. The fixing of the 1st Source Virginia Real Property Judgment Liens were made on or account of an antecedent debt owed by the Debtor to Royal Bank.

96. The Debtor was insolvent at the time the 1st Source Virginia Real Property Judgment Liens were fixed.

97. The fixing of the 1st Source Virginia Real Property Judgment Liens allow 1st Source to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfers had not been made; and (c) 1st Source received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

98. The fixing of the 1st Source Virginia Real Property Judgment Liens in favor of 1st Source upon the Virginia Real Property are avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE DEBTOR'S TENTH CAUSE OF ACTION
(Against 1st Source - Preference/Turnover - Virginia Personal Property - §§ 547 and 550 of the Bankruptcy Code)

99. The Debtor repeats and incorporates ¶¶ 1 through ¶ 98 of this Complaint as if fully set forth herein.

100. To the extent that 1st Source delivered a writ of fieri facias to a sheriff or other officer, or person authorized to serve process in Virginia within the 90 day period preceding the Petition Date, such action had the effect of fixing a judgment lien in favor of 1st Source upon the Debtor's intangible personal property located in Virginia ("1st Source Virginia Intangible Personal Property Judgment Lien").

101. To the extent that Debtor's tangible personal property located in Virginia has been levied upon by an officer in receipt of a writ of fieri facias delivered by 1st Source within the 90 day period preceding the Petition Date, such action had the effect of fixing a judgment lien in favor of 1st Source upon the tangible personal property located in Virginia ("1st Source Virginia Tangible Personal Property Judgment Lien" and together with the 1st Source Virginia Intangible Personal Property Judgment Lien the "1st Source Virginia Personal Property Judgment Liens").

102. To the extent that the 1st Source Virginia Personal Property Judgment Liens were fixed, such actions were transfers of interests in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

103. To the extent that the 1st Source Virginia Personal Property Judgment Liens were fixed, such actions were made on or account of an antecedent debt owed by the Debtor to 1st Source.

104. To the extent the 1st Source Virginia Personal Property Judgment Liens were fixed, such liens were fixed within the 90 day period preceding the Petition Date while the Debtor was insolvent.

105. To the extent that 1st Source fixed the 1st Source Virginia Personal Property Judgment Liens, such actions will allow 1st Source to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfers had not been made; and (c) 1st Source received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

106. To the extent the 1st Source Virginia Personal Property Judgment Liens were fixed in favor of 1st Source upon Debtor's tangible and intangible personal property located in Virginia, such liens are avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE ELEVENTH CAUSE OF ACTION

(Against 1st Source Preference/Turnover - Georgia Real Property – §§ 547 and 550 of the Bankruptcy Code)

107. The Debtor repeats and incorporates ¶¶ 1 through ¶ 106 of this Complaint as if fully set forth herein.

108. To the extent that 1st Source domesticated the 1st Source Judgment in Georgia, obtained a judgment in Georgia, and recorded such judgment on the general execution docket in Gwinnett County, Georgia, such actions had the effect of fixing a judgment lien in favor of 1st Source upon the Georgia Real Property (the "1st Source Georgia Real Property Judgment Lien"), which was within the 90 day period preceding the Petition Date.

109. To the extent that the 1st Source Georgia Real Property Judgment Lien was fixed, it was transfer of an interest in property of the Debtor to or for the benefit of a creditor within the meaning of § 547 of the Bankruptcy Code.

110. To the extent that the 1st Source Georgia Real Property Judgment Lien was fixed, it was made on or account of an antecedent debt owed by the Debtor to 1st Source.

111. To the extent that the 1st Source Georgia Real Property Judgment Lien was fixed, the Debtor was insolvent at the time it was fixed.

112. To the extent that the 1st Source Georgia Real Property Judgment Lien was fixed, it allows 1st Source to receive more than it would have received if: (a) the case was a case under Chapter 7 of the Bankruptcy Code; (b) the transfer had not been made; and (c) 1st Source received payment of its debt to the extent provided by the provisions of the Bankruptcy Code.

113. To the extent that the 1st Source Georgia Real Property Judgment Lien was fixed in favor of 1st Source upon the Georgia Real Property, it is avoidable and recoverable under §§ 547 and 550 of the Bankruptcy Code.

AS AND FOR THE TWELFTH CAUSE OF ACTION
(Against 1st Source – Invalid Liens- Georgia Real Property and Georgia Personal Property
–§ 362 of the Bankruptcy Code)

114. The Debtor repeats and incorporates ¶¶ 1 through ¶ 113 of this Complaint as if fully set forth herein.

115. Upon information and belief, the Superior Court of Gwinnett County issued a judgment (the “1st Source Gwinnett Judgment”) after the Petition Date, which was the continuation of a judicial proceeding against the Debtor that was commenced before the Petition Date to recover a claim against the Debtor that arose prior to the Petition Date.

116. To the extent that 1st Source filed and recorded the 1st Source Gwinnett Judgment, it was an act to create, perfect and/or enforce a lien in favor of 1st Source against property of the estate.

117. The issuance of the 1st Source Gwinnett Writ of Fi Fa on July 8, 2008, was (i) the continuation of a judicial proceeding against the Debtor that was commenced before the Petition Date to recover a claim against the Debtor that arose prior to the Petition Date, and (ii) an act to create, perfect and/or enforce a lien in favor of 1st Source against property of the estate.

118. The filing and recording of the 1st Source Gwinnett Writ of Fi Fa with the Clerk of Court for the Superior Court of Gwinnett County, Georgia, on July 9, 2008, two days after the Petition Date, was an act to enforce a lien in favor of 1st Source against property of the estate.

119. Accordingly, the 1st Source Georgia Real Property Judgment Lien and the 1st Source Georgia Personal Property Judgment Liens are invalid because they are in violation of the automatic stay as provided under 11 U.S.C. § 362.

AS AND FOR THE THIRTEENTH CAUSE OF ACTION
(Against 1st Source – Invalid Lien - Georgia Real Property and Georgia Personal Property - § 549 of the Bankruptcy Code)

120. The Debtor repeats and incorporates ¶¶ 1 through ¶ 119 of this Complaint as if fully set forth herein.

121. To the extent that the 1st Gwinnett Judgment was issued and recorded on the general execution docket in Gwinnett County Georgia, such actions were a transfer of property of the estate that occurred after the Petition Date and was not authorized under the Bankruptcy Code or by this Court.

122. The issuance of the 1st Source Gwinnett Writ of Fi Fa on July 8, 2008, was a transfer of property of the estate that occurred after the Petition Date and was not authorized under the Bankruptcy Code or by this Court.

123. The fixing of the 1st Source Georgia Real Property Judgment Lien and the 1st Source Personal Property Judgment Lien in favor of 1st Source upon the Debtor's property located in Georgia is avoidable § 549 of the Bankruptcy Code.

AS AND FOR THE FOURTEENTH CAUSE OF ACTION
(Against Defendants – Preservation of Liens for the Estate - § 551 of the Bankruptcy Code)

124. The Debtor repeats and incorporates ¶¶ 1 through ¶ 123 of this Complaint as if fully set forth herein.

125. Defendants' liens against property of the Debtor's bankruptcy estate referenced above are avoidable transfers under 11 U.S.C. § 547.

126. Accordingly, Defendants' liens should be preserved for the benefit of the estate with respect to the properties that such liens are against.

WHEREFORE, the Debtor respectfully request that the this Court grant an order as follows: (a) avoiding the judgment liens obtained by Defendants against property of the Debtor's estate as preferences pursuant to Bankruptcy Code § 547; (b) avoiding the judgment liens perfected after the Petition Date by Royal Bank and 1st Source as avoidable unauthorized postpetition transfers of property of the estate under Bankruptcy Code § 549; (c) voiding the liens perfected by Royal Bank and 1st Source after the Petition Date under Bankruptcy Code § 362; (d) awarding Debtor the costs and disbursement of this proceeding; (e) recovering property of the Debtor's estate under Bankruptcy Code § 550; (f) under Bankruptcy Code § 551 preserving any of the Defendants' liens against property of the Debtor's estate that this Court

avoids pursuant to 11 U.S.C. § 547; and (g) granting such other and further relief as the Court deems just and proper.

April 1, 2009

Respectfully submitted,

CROWELL & MORING LLP
Peter R. Ginsberg, Esq.
Michael V. Blumenthal, Esq.
590 Madison Avenue, 20th Floor
New York, New York 10022
Telephone: (212) 223-4000
Facsimile: (212) 223-4134
Counsel for the Debtor

-and-

KAUFMAN & CANOLES, a
professional corporation

By:

/s/ Paul K. Campsen



Paul K. Campsen, Esq. (VSB No. 18133)
Dennis T. Lewandowski (VSB No. 22232)
150 West Main Street, Suit 2100
Norfolk, VA 23510
Telephone: (757) 624-3000
Facsimile: (757) 624-3169
Counsel for Debtor

::ODMA\PCDOCS\DOCSNFK\1460995\2