

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND

In re:	*	
	*	
STEREO EQUIPMENT SALES, INC.,	*	Case No. 88-5-2331-SD
	*	Chapter 11
Debtor.	*	
	*	
* * * *	*	
	*	
ARTHUR C. UNGER,	*	
Chapter 11 Trustee,	*	
	*	
Plaintiff,	*	
vs.	*	Adversary No. A89-0286-SD
	*	
D & H DISTRIBUTING COMPANY,	*	
	*	
Defendant.	*	
	*	

ENTERED
MAY 13 1991

ORDER AVOIDING TRANSFER IN PART U.S. BANKRUPTCY COURT
AS PREFERENTIAL AND JUDGMENT BALTIMORE, MD.

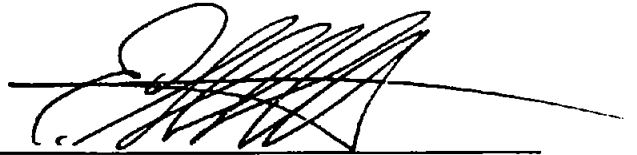
Upon the Chapter 11 Trustee's Complaint to Avoid and Recover Preferential Transfer; after trial on January 10, 1991, and for the reasons stated by the court on the record at the conclusion thereof; the Court having found that a check for \$37,175.67 which had been used by debtor to pay defendant the balance due on a series of invoices constituted a preferential transfer under 11 U.S.C. § 547(b); the defendant having claimed that such transfer was not avoidable because payment of the invoices was within the ordinary course of business exception to a trustee's avoidance powers under 11 U.S.C. § 547(c)(2); the Court agreeing with defendant to the extent that credits should be applied to outstanding invoices when the credits are issued for purposes of determining the date of payment; but the Court finding that defendant applied this principle

(22)

inconsistently when it excluded a certain transfer which was nonpreferential on other grounds from its calculations; the Court finding that the sum of \$4,783.32 was not within the § 547(c)(2) exception, it is this 8th day of May, 1991, by the United States Bankruptcy Court for the District of Maryland,

ORDERED, that the transfer of \$4,783.32 from debtor to defendant is avoided as a preferential transfer; and it is further

ORDERED, that judgment is entered in favor of Arthur C. Unger, Trustee and against D & H Distributing Company, defendant, in the amount of \$4,783.32, with interest from the date of judgment at the legal rate, namely, 6.26 % simple interest per annum, plus costs.



E. Stephen Derby
Judge

ENTERED:

cc: Robert Allen Sapero, Esquire
Alan R. Engel, Esquire
Sapero & Sapero
211 Francis Scott Key Highway
Baltimore, Maryland 21230
Attorneys for Defendant

Jonathan N. Portner, Esquire
Gordon, Feinblatt, Rothman,
Hoffberger & Hollander
233 East Redwood Street
Garrett Building
Baltimore, Maryland 21202
Attorney for Debtor/Plaintiff

U.S. Trustee
Fallon Federal Building
31 Hopkins Plaza, Room G-13
Baltimore, Maryland 21201

Arthur C. Unger, Chapter 11 Trustee
835 Old Country Road
Westbury, New York 11590

D & H Distributing Company
Baltimore-Washington Industrial Park
8220 Wellmoor Court
Savage, Maryland 20863