

**"Heightened Pleading Standards Apply to Avoidance Complaints," The Bankruptcy Strategist, Volume 27, November 2009.**

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Parties to preference and fraudulent transfer actions should pay careful attention to the decision in *Angell, Trustee v. Ber Care, Inc. f/k/a PPS, Inc., et al.* (In re Caremerica, Inc.), 409 B.R. 737 (Bankr. E.D.N.C. 2009). There, relying upon the new standard for assessing the sufficiency of a complaint set forth by the Supreme Court in *Belt Atl. Corp. v. Twombly*, 550 U.S. 544 (2007) and *Ashcroft v. Iqbal*, 129 S.Ct. 1937 (2009), Bankruptcy Judge J. Rich Leonard dismissed certain avoidance claims and upheld others asserted by a Chapter 7 trustee. Caremerica provides useful guidance on whether particular elements of a preference or fraudulent transfer claim have been adequately pled.