

**FREEMAN, Liquidating Trustee v. GARMENDIA (In re E.S. BANKEST, L.C.),
Case No. 04-17602-BKC-AJC
Adv. Pro. No. 06-1777-AJC-A**

With respect to a fraudulent transfer claim brought by the liquidating Trustee, the Court found summary judgment in favor of the Trustee was appropriate on the issue of the availability of the “value” defense to the Defendant. 11 U.S.C. §550(b)(1). It is an undisputed fact that the Defendant tendered a check payable to “Bankest”, and in return received certain shares of stock in a company called Stratasec. However, it is undisputed that the check for payment to “Bankest” was deposited into Capital’s account at Espirito Santo Bank in Miami, Florida. Thus, the “value” defense set forth in 11 U.S.C. §550(b)(1) is unavailable to the Defendant because she paid nothing to Bankest, the entity that assigned *its* rights to those certain shares of stock to the Defendant.