



SO ORDERED.

SIGNED this 27 day of March, 2007.

**ROBERT E. NUGENT
UNITED STATES CHIEF BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS**

IN RE:)	
)	
LEJUERRNE DEVELOPMENT CORPORATION,)	Case No. 04-12218
)	Chapter 7
Debtor.)	
_____)	
CARL B. DAVIS, TRUSTEE,)	
)	
)	
Plaintiff,)	
v.)	Adv. No. 06-5218
)	
SHERRIE A. TUCKER,)	
SHELLY S. ANDERSON,)	
)	
Defendants.)	
_____)	

JUDGMENT ON DECISION

The chapter 7 trustee seeks to avoid the transfer of a remainder interest in a residence by debtor to defendant Sherrie Tucker and Tucker's subsequent transferee, Shelly Anderson,

contending the transfers were fraudulent. Proceeding under authority of 11 U.S.C. § 544(b), the trustee invokes the Statute of Elizabeth, KAN. STAT. ANN. § 33-102, asserting that the transfer was made with intent to hinder, delay or defraud debtor's creditors. The trustee also proceeds under KAN. STAT. ANN. § 33-204 and § 33-205, sections of the Uniform Fraudulent Transfer Act ("UFTA") as adopted in Kansas, again alleging that the transfer was made with intent to hinder, delay or defraud debtor's creditors and for which debtor received less than reasonably equivalent value.

Following a trial of this proceeding, the Court found that the trustee failed to meet his burden of proving that the transfer was made with the intent to hinder, delay, or defraud creditors despite the presence of some badges of fraud. The Court also concluded that defendants did not participate in or have knowledge of the alleged scheme, an essential element for liability under KAN. STAT. ANN. § 33-102. Finally, the Court concluded that the debtor received reasonably equivalent value for the remainder interest transferred to Tucker.

The trustee has failed to show by clear and convincing evidence that he is entitled to avoid debtor's transfer of the remainder interest under any of the theories pled. JUDGMENT is entered in favor of defendants Sherrie Tucker and Shelly Anderson. Costs shall be taxed against the trustee.

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