

MARSHALL DENNEHEY WARNER
COLEMAN & GOGGIN
BY: R. David Lane, Jr, Esquire
Identification No. RD 2435
Wall Street Plaza, 21st Floor
New York, NY 10005
(212) 376-6413

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

In re:

Chapter 11

MOTORS LIQUIDATION COMPANY, *et al.*,

Case No. 09-50026 (REG)

Debtors.

(Jointly Administered)

-----X

MOTORS LIQUIDATION COMPANY
AVOIDANCE ACTION TRUST,

Adversary Proceeding
Case No. 09-00504 (REG)

Plaintiff.

-against-

JPMORGAN CHASE BANK, N.A. *et al.*

Defendants.

-----X

**ANSWER TO FIRST AMENDED ADVESARY COMPLAINT ON
BEHALF OF THE SEI ENTITIES**

Defendants, DE-SEI Instl Inv TR-Hi Yld BD, DE-SEI Instl Mgd TR-Hi Yld BD, SEI Inst
Mgd TR Core Fxd Inc, DE-SEI Institutional Investment Trust - High Yield Bond Fund, DE-SEI
Institutional Managed Trust - High Yield Bond Fund, Delaware-SEI Institutional Investment
Trust-High Yield Bond Fund, Delaware-SEI Institutional Managed Trust-High Yield Bond Fund

and SEI Institutional Managed Trusts Core Fixed Income (the "SEI entities"), by its undersigned counsel, answers Plaintiff's First Amended Adversary Complaint dated May 20, 2015 as follows:

1. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

2. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

3. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

4. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

5. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

6. The SEI entities admit that Motors Liquidation Company f/k/a General Motors Corporation and certain of its subsidiaries (collectively, the "debtors") filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the Bankruptcy Code) on June 1, 2009 (the petition date) in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court).

7. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations of this paragraph.

8. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegation of this paragraph. To the extent that this paragraph refers to the "final order," such is a document in writing that speaks for itself and any interpretation and/or characterization of same is denied.

9. Denied. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

10. Denied. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

11. Denied. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

12. The allegations of this paragraph are legal conclusions to which no response is required. To the extent that this paragraph refers to an Order [Docket No. 9941] and the Second Amended Joint Chapter 11 Plan [Docket No. 9836] (the plan), such are documents in writing that speaks for themselves and any interpretation and/or characterization of same is denied. To the extent that a further response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

13. Denied. To the extent that this paragraph refers to Trust Agreement, such is a document in writing that speaks for itself and any interpretation and/or characterization of same is denied. To the extent a further response is required, the SEI entities deny knowledge or

information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

14. The allegations of this paragraph are legal conclusions to which no response is required. To the extent that this paragraph refers to the plan, such is a document in writing that speaks for itself and any interpretation and/or characterization of same is denied. To the extent a further response is required, the SEI entities deny the allegations contained in this paragraph.

15.-114. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in these paragraphs. By way of further response, the allegations contained in these paragraphs are directed to parties other than the SEI entities and as such, no response is required.

115. Denied. Strict proof is demanded.

116. Denied. Strict proof is demanded.

117.-133. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in these paragraphs. By way of further response, the allegations contained in these paragraphs are directed to parties other than the SEI entities and as such, no response is required.

134. Denied. Strict proof is demanded.

135. Denied. Strict proof is demanded.

136.-487. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in these paragraphs. By way of further response, the allegations contained in these paragraphs are directed to parties other than the SEI entities and as such, no response is required.

488. Denied. Strict proof is demanded.

489.-570. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in these paragraphs. By way of further response, the allegations contained in these paragraphs are directed to parties other than the SEI entities and as such, no response is required.

571. To the extent this paragraph refers to the term loan agreement, such is a document in writing which speaks for itself and any characterization and/or interpretation of such is denied. To the extent that a further response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

572. To the extent this paragraph refers to the term loan agreement, such is a document in writing which speaks for itself and any characterization and/or interpretation of such is denied. To the extent that a further response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

573. To the extent this paragraph refers to the term loan agreement, such is a document in writing which speaks for itself and any characterization and/or interpretation of such is denied. To the extent that a further response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

574. The SEI entities deny the allegations contained in this paragraph except admit that the debtors filed a Motion which is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

575. The SEI entities deny the allegations contained in this paragraph except admit that the debtors filed a Motion which is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

576. The SEI entities deny the allegations contained in this paragraph except admit that the debtors filed a Motion which is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

577. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations in this paragraph refer to the DIP Order and DIP loans, such are documents in writing which speak for themselves and any interpretation and/or characterization of same is denied.

578. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations in this paragraph refer to the DIP Order and DIP loans, such are documents in writing which speak for themselves and any interpretation and/or characterization of same is denied.

579. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations in this paragraph refer to the DIP Order and DIP loans, such are documents in writing which speak for themselves and any interpretation and/or characterization of same is denied.

580. To the extent this paragraph refers to UCC filings and a financing statement, such are documents in writing which speaks for themselves and any characterization and/or interpretation of such is denied. To the extent that a further response is required, the SEI entities deny the allegations contained in this paragraph.

581. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations of this paragraph refer to a financing statement, such is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

582. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations of this paragraph refer to a financing statement, such is a documents in writing which speaks for itself and any interpretation and/or characterization or same is denied.

583. The SEI entities deny the allegations contained in this paragraph. To the extent that the allegations of this paragraph refer to financing statement, such is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

584. The SEI entities deny the allegations of this paragraph except admit that on or about March 1, 2013, the bankruptcy court entered a decision on cross motions for summary judgment which is a document in writing which speaks for itself and any interpretation and/or characterization of same is denied.

585. The SEI entities deny the allegations contained in this paragraph except admit that on or about January 21, 2015, the United States Court of Appeals for the Second Circuit entered a decision which is a document in writing which speaks for itself and any interpretation and/or characterization or same is denied.

FIRST CLAIM FOR RELIEF
(Avoidance of Lien as Unperfected)

586. The SEI entities incorporate by reference as if set forth fully herein their responses to paragraphs 1-585 of the Amended Complaint.

587. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained herein.

588. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained herein.

589. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained herein.

SECOND CLAIM FOR RELIEF
(Avoidance and Recovery of Post Petition Transfers)

590. The SEI entities incorporate by reference as if set forth fully herein their responses to paragraphs 1-589 of the Amended Complaint.

591. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

592. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

593. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

594. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

595. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

596. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

597. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

598. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

599. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

600. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

601. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

602. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

603. Denied. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny the allegations and strict proof is demanded.

THIRD CLAIM FOR RELIEF
(Avoidance and Recovery of Payments as Preferential Transfers)

604. The SEI entities incorporate by reference as if set forth fully herein their responses to paragraphs 1-603 of the Amended Complaint

605. Denied. Strict proof is demanded.

606. The SEI entities deny knowledge or information sufficient to form a belief as to the truth or accuracy of the allegations contained in this paragraph.

607. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

608. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

609. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

610. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

611. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

612. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

613. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

614. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

615. The allegations of this paragraph are legal conclusions to which no response is required. To the extent a response is required, the SEI entities deny knowledge or information sufficient to form a belief as the truth or accuracy of the allegations of this paragraph.

FOURTH CLAIM FOR RELIEF
(To Disallow any Claim of Defendants Until Disgorgement)

616. The SEI entities incorporate by reference as if set forth fully herein their responses to paragraphs 1-615 of the Amended Complaint

617. Denied. Strict proof is demanded.

618. The allegations of this paragraph are legal conclusions to which no response is required. To the extent that a response is required, the allegations of this paragraph are denied and strict proof is demanded.

AFFIRMATIVE DEFENSES

In asserting the following additional defenses to Plaintiff's claims, the SEI entities do not concede that the assertion of such defenses imposes any burden of proof or persuasion on the SEI entities with respect thereto. Furthermore, the SEI entities have not yet completed their investigation and, to the extent that investigation and/or discovery warrant, reserve the right to supplement, amend, or delete any or all of the following additional defenses prior to any trial of this action, and to assert any additional crossclaims, counterclaims, and third party claims as they become known or available.

At the present time, the SEI entities assert that the claims alleged in the Amended Complaint against the SEI entities are barred, in whole or in part, because:

FIRST AFFIRMATIVE DEFENSE

The Amended Complaint fails to state a claim against the SEI entities upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

Plaintiff's claims are barred for insufficient service of process.

THIRD AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the state of limitations.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff's claims are barred, in whole or in part, by the doctrine of laches and equitable estoppel.

FIFTH AFFIRMATIVE DEFENSE

The October 2008 amendment is void and ineffective because JP Morgan, in its capacity as administrative agent for the Synthetic Lease, was not the secured party of record under the term loan UCC financing statements and therefore had no power or authority to authorize the debtors to file the October 2008 amendment.

SIXTH AFFIRMATIVE DEFENSE

The October 2008 amendment is void and ineffective because JP Morgan did not obtain the consent of the answering term lenders to permit the debtors to file that amendment as required under the term loan agreement

SEVENTH AFFIRMATIVE DEFENSE

The October 2008 amendment is void and ineffective because JP Morgan, both in its capacity as administrative agent for the Synthetic Lease and in its capacity as administrative agent for the term loan, exceeded the extent of its authority as an agent of the principals, including the SEI entities, when it permitted the debtors to file the October 2008 amendment.

EIGHTH AFFIRMATIVE DEFENSE

The October 2008 amendment is void and ineffective because the filing was not authorized.

NINTH AFFIRMATIVE DEFENSE

The unauthorized filing of the October 2008 amendment did not waive the SEI entities' security interests in certain assets of the debtors pursuant to the term loan agreement and term loan UCC financing statements.

TENTH AFFIRMATIVE DEFENSE

Each of the SEI entities were secured parties and had perfected security interests on the petition date in certain assets of the debtors pursuant to the term loan agreement as set forth in

multiple UCC-1 financing statements filed through the United States, including, but not limited to the UCC-1 financing statement number 64168223 and filed on November 30, 2006 with the secretary of state of Delaware listing Saturn Corporation as the debtor as well as multiple state fixture filings.

ELEVENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint against the SEI entities are barred by the doctrines of *in pari delicto*, unclean hands and/or the Wagoner rule.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiff is estopped from alleging that the security interests of the SEI entities were terminated or, in the alternative, the bankruptcy court should find that the debtors held the collateral under the term loan agreement pursuant to a constructive trust.

THIRTEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint against the SEI entities are barred by the doctrine of mistake, which requires reinstatement of the erroneously discharged security interest.

FOURTEENTH AFFIRMATIVE DEFENSE

At the time of any purported transfers referenced in the Amended Complaint were allegedly made by the debtors, each of the SEI entities was a perfected secured creditor thereby accepting all of the alleged transfers from avoidance as preferential transfers pursuant to the bankruptcy code section 547(b)(5).

FIFTEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint against the SEI entities are barred by the doctrine of ear marketing

SIXTEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint are barred to the extent that any of the SEI entities are not transferees from which the trust may recover the value of any avoided transfer under section 550(b) of the bankruptcy code.

SEVENTEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint against the SEI entities are barred to the extent that the SEI entities were mere conduits with respect to any of the alleged transfers.

EIGHTEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint are barred to the extent that any of the SEI entities did not receive a transfer made under the term loan agreement on May 27, 2009.

NINETEENTH AFFIRMATIVE DEFENSE

The claims asserted in the Amended Complaint are barred to the extent that any of the SEI entities did not receive a transfer made under the term loan agreement on June 30, 2009.

TWENTIETH AFFIRMATIVE DEFENSE

Because the DIP Order reserves for the trust "only [the right to challenge] the perfection of first priority liens of the post petition senior facilities secured parties," the trust lacks standing and authority to bring the second, third, and fourth claims for the relief asserted in the Amended Complaint.

TWENTY-FIRST AFFIRMATIVE DEFENSE

The first and third claims for relief, and the fourth claim for relief in as much as it seeks disallowance in connection with the first and third claims for relief, are barred by §546(e) of the bankruptcy code.

TWENTY-SECOND AFFIRMATIVE DEFENSE

Pursuant to bankruptcy code §547(c)(2), the alleged transfer sought from the SEI entities in the amended Complaint were (a) in payment of a debt incurred by the debtors in the ordinary course of business or financial affairs of the debtors and the SEI entities, (b) made in the ordinary course of business or financial affairs of the debtors and the SEI entities, and/or (c) made according to ordinary business terms.

TWENTY-THIRD AFFIRMATIVE DEFENSE

Any injury or damages to Plaintiff should be reduced to the extent that the culpable conduct of others caused or contributed to any injury or damages that Plaintiff may have sustained.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

The SEI entities hereby assert all defenses available under federal law and under any applicable state law. Additional facts may be revealed in discovery or otherwise that support additional defenses presently available, but unknown, to the SEI entities. The SEI entities therefore reserve their right to assert additional defenses in the event discovery or investigation reveals additional defenses or such additional defenses become apparent at trial.

TWENTY-FIFTH AFFIRMATIVE DEFENSE

The SEI entities hereby adopt and incorporate by reference any and all other defenses asserted or to be asserted by any other Defendants named in the Amended Complaint to the extent that such defenses are available to the SEI entities.

WHEREFORE, the SEI entities respectfully requests that judgment be entered in their favor dismissing with prejudice Plaintiff's Amended Complaint in its entirety and on the merits, awarding the SEI entities their costs of defending this action, including reasonable attorneys fees, costs and disbursements, and awarding the SEI entities such other and further relief as the court may deem just and proper.

Dated: New York, New York
July 27, 2016

MARSHALL DENNEHEY WARNER
COLEMAN & GOGGIN

By: /s/ R. David Lane, Jr.
R. David Lane Jr. (RD 2435)
Joel Wertman (ID # 91146)
Denis Dice (ID #59279)
Attorneys for
SEI Institutional Investments Trust-
High Yield Bond Fund,
SEI Institutional Managed Trust-
High Yield Bond Fund,
SEI Institutional Managed Trust-
Core Fixed Income Fund,
DE-SEI Instl Inv TR-Hi Yld BD,
DE-SEI Instl Mgd TR-Hi Yld BD,
SEI Inst Mgd TR Core Fxd Inc.,
DE-SEI Institutional Investment Trust - High Yield
Bond Fund,
DE-SEI Institutional Managed Trust - High Yield
Bond Fund
Wall Street Plaza
88 Pine Street, 21st Floor
New York, New York 10005
T: (212) 376-6413
F: (212) 376-6490

LEGAL/106178899.v1