

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

In re:)	Chapter 11
)	
Met-Coil Systems Corporation)	Case No. 03-12676 (MFW)
)	
Debtor.)	
)	
)	

**RESPONSE OF NEW ENGLAND H.V.A./C. SERVICES,
CORPORATION TO DEBTOR’S SECOND AND THIRD OMNIBUS
OBJECTIONS TO CLAIMS ON SUBSTANTIVE AND NON-SUBSTANTIVE
GROUNDS, RESPECTIVELY [Re: Docket Nos. 327 and 328]**

New England H.V.A./C. Services, Corporation (“New England”), by and through undersigned counsel, hereby files this response (the “Response”) to the Debtor’s second and third omnibus objections to claims on substantive and non-substantive grounds, respectively (the “Omnibus Objections”).

FACTUAL BACKGROUND

1. On or about July 30, 1997, New England purchased certain equipment, known as the Vulcan Plasma Cutter (“VPC”), based on representations made by defendants to the Action (defined below) that the Vulcan Plasma Cutter would meet New England’s sheet metal cutting needs.

2. Upon receiving the VPC and for the five years thereafter, New England has attempted to correct numerous problems with the VPC to no avail.

3. On July 11, 2003, New England filed suit in Superior Court of New Jersey in Hudson County against certain non-debtor parties and the Debtor (Docket No. HUD-L-2592-03) (the “Action”) setting forth causes of action including claims for breach of contract, breach of express

warranty, breach of implied warranties, and breach of implied warranty of fitness for a particular purpose.

4. On August 26, 2003 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

5. On October 24, 2003, New England filed proof of claim number 121 in the amount of \$800,000.00 (the “New England Claim”) in the Debtor’s chapter 11 proceeding. The New England Claim was filed as a result of the pending Action. A copy of the New England Claim is attached as Exhibit A.

6. On November 28, 2003, New England filed a motion for relief from the automatic stay (the “Stay Relief Motion”) to permit New England to proceed with the Action against the Debtor.

THE OMNIBUS OBJECTIONS

7. As it relates to New England, by the Omnibus Objections, the Debtor is requesting that this Court enter an order expunging the New England Claim.

8. The Debtor alleges that the New England Claim should be disallowed because the claim has no supporting documents for the amount of the claim, and because the Debtor was unable to determine any basis for liability upon review of the Debtor’s books and records.

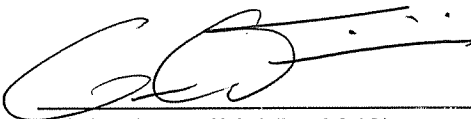
9. In response to the Omnibus Objections and to clarify the status of the New England Claim, New England has filed an amended proof of claim (the “Amended Claim”). The Amended Claim indicates that the amount of the claim as of the Petition Date is unliquidated, and attaches a copy of the complaint filed in the Action. A copy of the Amended Claim is attached as Exhibit B.

10. New England submits that the Amended Claim resolves the Omnibus Objections to the extent that the Omnibus Objections request that the New England Claim be expunged. The Debtor and New England agree that the unliquidated amount of the Amended Claim is still at issue. The parties expect to liquidate the Amended Claim either by proceeding with the Action against the Debtor if the Stay Relief Motion is granted, or by requesting that the Court schedule an evidentiary hearing to liquidate the Amended Claim.

11. For the reasons set forth above, New England objects to the Debtor's request to expunge the New England Claim.

Dated: February 10, 2004
Wilmington, Delaware

THE BAYARD FIRM



Michael L. Vild (No. 3042)
GianClaudio Finizio (No. 4253)
222 Delaware Avenue, Suite 900
P. O. Box 25130
Wilmington, DE 19899
(302) 655-5000

and

Robert A. Smith
Smith and Doran P.C.
60 Washington Street
Morristown, NJ 07960
(973) 292-0016

Attorneys for New England H.V.A./C. Services
Corporation