

SILVERMANACAMPORA LLP  
Counsel to Kenneth P. Silverman, Esq.,  
Chapter 7 Trustee  
100 Jericho Quadrangle, Suite 300  
Jericho, New York 11753  
(516) 479-6300  
Jay S. Hellman, Esq.  
David J. Mahoney, Esq.

Hearing Date: June 11, 2013  
Time: 9:30 a.m.

Objections Due: June 4, 2013  
Time: 5:00 p.m.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
In re:

AGAPE WORLD, INC.,  
AGAPE MERCHANT ADVANCE LLC,  
AGAPE COMMUNITY LLC, AGAPE  
CONSTRUCTION MANAGEMENT LLC,  
AGAPE WORLD BRIDGES LLC, AND  
114 PARKWAY DRIVE SOUTH LLC,

Debtors.

-----X  
KENNETH P. SILVERMAN, ESQ., as  
Chapter 7 Trustee of Agape World, Inc., *et al.*,

Plaintiff,

-against-

ANTHONY LUCCHETTO, SR.,

Defendant.  
-----X

Chapter 7  
Case No.: 09-70660 (DTE)  
Substantively Consolidated

Adv. Pro. No.: 11-08210 (REG)

**NOTICE OF HEARING OF PROPOSED ORDER  
UNDER BANKRUPTCY RULE 9019(a) APPROVING A STIPULATION  
SETTLING THE TRUSTEE'S CLAIMS AGAINST ANTHONY LUCCHETTO, SR.**

**PLEASE TAKE NOTICE**, that upon the application (the "Motion") of Kenneth P. Silverman, Esq., the chapter 7 trustee (the "Trustee") for the substantively consolidated estate of Agape World, Inc., *et al.*, by his counsel, SilvermanAcampora LLP, the Trustee will move before the Honorable Robert E. Grossman, United States Bankruptcy Judge, at the United States Bankruptcy Court, Courtroom 860, Eastern District of New York at Central Islip, 290 Federal Plaza, Central Islip, New York 11722 on **June 11, 2013 at 9:30 a.m.**, or as soon thereafter as counsel can be heard, for entry of an order granting the Trustee's Motion for an

Order Approving the Stipulation of Settlement. A copy of the proposed Order is annexed hereto.

**PLEASE TAKE FURTHER NOTICE**, that objections, if any, to the relief requested in the Motion or the proposed Order must be (i) made in writing; (ii) electronically filed with the Bankruptcy Court; (iii) delivered to Chambers of the Honorable Robert E. Grossman, United States Bankruptcy Judge, United States Bankruptcy Court, Eastern District of New York, Alfonse M. D'Amato Federal Courthouse, 290 Federal Plaza, Central Islip, New York 11722; (iv) mailed to SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York 11753, Attn: David J. Mahoney, Esq.; and (v) mailed to the Office of the United States Trustee, 560 Federal Plaza, Central Islip, New York 11722, no later than **5:00 p.m. on June 4, 2013**.

**PLEASE TAKE FURTHER NOTICE**, that the Hearing may be adjourned without further notice other than by announcement of such adjournment in open Court.

Dated: Jericho, New York  
April 24, 2013

**SILVERMANACAMPORA LLP**  
Counsel to Kenneth P. Silverman, Esq., the  
Chapter 7 Trustee

By: s/ David J. Mahoney  
David J. Mahoney  
Member of the Firm  
100 Jericho Quadrangle, Suite 300  
Jericho, New York 11753  
(516) 479-6300

SILVERMANACAMPORA LLP  
Counsel to Kenneth P. Silverman, Esq.,  
Chapter 7 Trustee  
100 Jericho Quadrangle, Suite 300  
Jericho, New York 11753  
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UNITED STATES BANKRUPTCY COURT  
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In re:

AGAPE WORLD, INC.,  
AGAPE MERCHANT ADVANCE LLC,  
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CONSTRUCTION MANAGEMENT LLC,  
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Debtors.

Chapter 7  
Case No.: 09-70660 (DTE)  
Substantively Consolidated

-----X  
KENNETH P. SILVERMAN, ESQ., as  
Chapter 7 Trustee of Agape World, Inc., *et al.*,

Plaintiff,

Adv. Pro. No.: 11-08210 (REG)

-against-

ANTHONY LUCCHETTO, SR.,

Defendant.  
-----X

**TRUSTEE'S APPLICATION UNDER BANKRUPTCY RULE 9019(a)  
SEEKING THE ENTRY OF AN ORDER APPROVING A STIPULATION  
SETTLING THE TRUSTEE'S CLAIMS AGAINST ANTHONY LUCCHETTO, SR.**

Kenneth P. Silverman, Esq., the chapter 7 trustee (the "Trustee") of the substantively consolidated estate of Agape World, Inc., *et al.*, by his attorneys SilvermanAcampora LLP, respectfully submits this application (the "Application") under 11 U.S.C. §105 and Federal Rule of Bankruptcy Procedure 9019 for entry of an Order (annexed hereto as **Exhibit A**) approving the proposed settlement of the Trustee's claims under 11 U.S.C. §§105, 502, 544, 548, 550 and 551, New York Debtor and Creditor Law §§273, 274, 275, 276 and 276-a, and New York common law against Anthony Lucchetto, Sr., as memorialized in the Stipulation Settling the

Trustee's Claims Against Anthony Lucchetto, Sr. (the "Stipulation"), which has been annexed hereto as **Exhibit B**. All parties are encouraged to review the annexed Stipulation in its entirety for the specific terms of the proposed settlement.

### **Background**

1. On February 5, 2009 (the "Petition Date"), an involuntary chapter 7 petition was filed by four petitioning creditors ("the Petitioning Creditors") pursuant to 11 U.S.C. §303(b), against Agape World, Inc. ("AWI"), in the United States Bankruptcy Court for the Eastern District of New York.

2. On February 9, 2008, the Petitioning Creditors filed a motion to appoint an interim chapter 7 trustee under 11 U.S.C. §303(g).

3. On February 12, 2009, the Court granted the Petitioning Creditors' motion and entered an order directing the United States Trustee's Office to immediately appoint an interim chapter 7 trustee in the AWI case.

4. On February 12, 2009, Kenneth P. Silverman, Esq., was appointed the interim trustee in the AWI case, and has since duly qualified and is now the permanent Trustee in the Debtors' substantively consolidated case.

5. On March 4, 2009, the Court issued an Order for relief in the AWI chapter 7 case.

6. On April 14, 2009, the Court issued an Order substantively consolidating AWI, Agape Merchant Advance LLC, Agape Community LLC, Agape Construction Management, LLC, Agape World Bridges LLC, and 114 Parkway Drive South LLC (collectively, "Agape" or the "Debtors").

7. Thereafter, pursuant to an Order of this Court dated April 21, 2009 (Dkt. No. 106), the Trustee retained Navigant Consulting Inc. ("Navigant") to, among other things, conduct a forensic analysis of Agape's books and records.

8. Based upon Navigant's analysis, the Trustee determined that Anthony Lucchetto, Sr. a/k/a Antonio Lucchetto ("Defendant") received transfers exceeding his deposits into Agape

totaling Eighty-Six Thousand Three Hundred Thirty-Two and 05/100 (\$86,332.05) Dollars (the "Net Transfers") that were made by the Debtors to the Defendant and are avoidable pursuant to 11 U.S.C. §§544, 548, 550 and 551, New York Debtor and Creditor Law §§273, 274, 275, 276 and 276-a, and New York common law.

9. On January 24, 2011, the Trustee commenced an adversary proceeding against the Defendant (the "Adversary Proceeding") by the filing and service of a summons and complaint under Adv. Pro. No. 11-08210 seeking to, *inter alia*, avoid the Net Transfers pursuant to 11 U.S.C. §§544, 548, 550 and 551, New York Debtor and Creditor Law §§273, 274, 275, 276 and 276-a, and New York common law and to recover the Net Transfers from Defendant pursuant to 11 U.S.C. §550(a) (the "Trustee's Claims").

10. The parties engaged in informal discovery related to the Trustee's Claims, the defenses asserted by Defendant, and the Defendant's ability to satisfy a judgment.

11. After the parties conducted discovery, Defendant filed a motion for summary judgment on January 14, 2013. The Trustee opposed the motion and after a hearing held on February 26, 2013, the Court denied the motion for summary judgment.

12. The Trustee and the Defendant, through his counsel, engaged in extensive negotiations regarding the possible settlement of this Adversary Proceeding and all other matters concerning the Debtors, Defendant, Serafino Holdings LLP, Serafino Retirement Holdings LLC, and Defendant's son, Anthony Lucchetto.

13. Defendant has offered to remit the total sum of Forty-Seven Thousand Five Hundred and 00/100 (\$47,500.00) Dollars (the "Settlement Sum") to the Trustee and waive proof of claim #4795 in the amount of \$254,892.75 (the "Settlement Consideration") in full and final settlement of the Trustee's Claims, those claims asserted against Defendant in Adv. Pro. No. 10-08968 (DTE) (the "Serafino Action"), and any other claims that the Trustee could have asserted against Defendant.

14. For all of the reasons set forth herein, the Trustee submits that accepting Defendant's offer of the Settlement Consideration in full and final settlement of the Trustee's Claims is a reasonable exercise of the Trustee's business judgment and is in the best interests of the Debtors' estate.

### **Settlement**

15. The Trustee has determined that settling this matter for the Settlement Consideration is the most economical and efficient way to realize a meaningful and beneficial recovery for the benefit of creditors without the need to incur legal fees and risks inherent with the prosecution of the Trustee's Claims and any resulting judgment efforts.

16. After consultation with his retained professionals and in the exercise of his business judgment, the Trustee has determined that the Settlement Consideration outweighs the potential net recovery to the estate if the Trustee elected to prosecute the Trustee's Claims through trial and enforce a resulting judgment against the Defendant.

17. In light of the foregoing and mindful of the costs and risks of litigating the Trustee's Claims, the Trustee has agreed to accept the Settlement Consideration.

### **Basis for Relief Requested**

18. Federal Rule of Bankruptcy Procedure 9019(a), which governs the approval of compromises and settlement, provides:

(a) Compromise. On motion by the trustee and after notice and hearing, the court may approve a compromise or settlement. Notice shall be given to creditors, the United States trustee, the debtor, and indenture trustees as provided in Rule 2002 and to any other entity as the court may direct.

19. In approving a compromise and settlement, the Bankruptcy Court is required to make an "informed and independent judgment" as to whether the compromise and settlement is fair and equitable based on an:

[e]ducated estimate of the complexity, expense and likely duration of [any] litigation, the possible difficulties of collecting on any judgment which might be obtained, and all other factors relevant to a full and fair assessment of the wisdom of the proposed compromise. Basic to this process, in every instance, of

course, is the need to compare the terms of the compromise with the likely rewards of litigation.

*Protective Committee for Independent Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424-425, *reh'g denied*, 391 U.S. 909 (1968). See *American Can Co. v. Herpel (In re Jackson Brewing Co.)*, 624 F.2d 605, 607 (5th Cir. 1980); *Chopin Assoc. v. Smith (In re Holywell Corp.)*, 93 B.R. 291, 294 (Bankr. S.D. Fla. 1988); *In re Arrow Air, Inc.*, 85 B.R. 886, 891 (Bankr. S.D. Fla. 1988); *In re Bell & Beckwith*, 77 B.R. 628, 611 (Bankr. N.D. Ohio), *aff'd*, 87 B.R. 472 (N.D. Ohio 1987); *Cf. Magill v. Springfield Marine Bank (In re Heissinger Resources Ltd.)*, 67 B.R. 378, 383 (C.D. Ill. 1986) ("the law favors compromise").

20. In making its determination, the Court should consider whether the proposed compromise is in the "best interest of the estate". *Depo v. Chase Lincoln First Bank, N.A. (In re Depo)*, 77 B.R. 381, 383 (N.D.N.Y. 1987), *aff'd*, 863 F.2d 45 (2d Cir. 1988). As stated in *Arrow Air*, the "approval of [a] proposed compromise and settlement is a matter of this Court's sound discretion." *Arrow Air*, 85 B.R. at 891. In passing upon a proposed settlement, "the bankruptcy court does not substitute its judgment for that of the Trustee [or debtor in possession]." *Depo*, 77 B.R. at 384 (citations omitted). The bankruptcy court is not required "to decide the numerous questions of law and fact raised by [objectors]... [R]ather [the Court should] canvass the issues and see whether the settlement falls below the lowest point in the range of reasonableness." *Cosoff v. Rodman (In re W.T. Grant Co.)*, 699 F.2d 599, 608 (2d Cir.), *cert denied*, 464 U.S. 822 (1983) (*quoting Newman v. Stein*, 464 F.2d 689, 693 (2d Cir.), *cert denied*, 409 U.S. 1039 (1972)). See *Holywell* 93 B.R. at 294. ("In order to exercise this discretion properly, the Court must consider all the relevant facts and evaluate whether the compromise suggested falls below the 'lowest point in the range of reasonableness'" (*quoting In re Teltronics Services, Inc.*, 762 F.2d 185, 189 (2d Cir. 1985)). In passing upon the reasonableness of a proposed compromise, the Court "may give weight to the opinions of the Trustee [or debtor in possession], the parties and their counsel." *Bell & Beckwith*, 77 B.R. at 512.

21. The factors to be considered by the Court in determining whether to approve a compromise or settlement include (a) probability of success in the litigation, with due consideration for the uncertainty in fact and law, (b) the complexity and likely duration of the litigation and any attendant expense, inconvenience and delay, and (c) all other factors bearing on the wisdom of the compromise. *Arrow Air*, 85 B.R. at 891 (citing *TMT Trailer Ferry*, 390 U.S. at 424-25). See *Jackson Brewing Co.*, 624 F.2d at 507; *Holywell Corp.*, 93 B.R. at 294-95 (citations omitted).

22. By offering the Settlement Consideration, Defendant has offered to voluntarily return fifty-five (55%) percent of the Net Transfers, and waive proof of claim #4795 filed against Agape in the amount of \$254,892.75 in satisfaction of the Trustee's Claims without causing the Debtors' estate to incur significant fees or expenses. Defendant has raised triable issues of fact relating to his possible deposit of additional funds through an agent, that if accepted by the Court would eliminate any liability on Defendant's part.

23. The Trustee submits that considering the costs and uncertainties associated with trial and judgment enforcement, and the amount of the Trustee's demand, it is unlikely that further litigation would result in a "net benefit" to the Debtors' estate in excess of the return received through the Settlement Consideration. In the sound business judgment of the Trustee, the proposed settlement is both appropriate and warranted. The Trustee believes that the settlement is fair and equitable and in the best interest of the estate.

#### **Notice**

24. The Trustee has served the Notice of Hearing, proposed Order, and Motion in support with Exhibit upon: (i) the Office of the United States Trustee; (ii) Nicholas Cosmo, former principal of the Debtors, (iii) Defendant, (iv) Defendant's counsel, (v) the appropriate taxing authorities, and (vi) all parties having filed a Notice of Appearance in this case, and copies have been posted on the Trustee's website located at [www.agapeworldbankruptcy.com](http://www.agapeworldbankruptcy.com).



The Trustee respectfully submits that the proposed service complies with this Court's Order Establishing Noticing Procedures entered on July 8, 2009 and is otherwise sufficient.

25. No previous application for the relief requested herein has been made to this or any other Court.

**WHEREFORE**, the Trustee respectfully requests that this Court grant this Application authorizing and approving the Stipulation and grant such other further and different relief as this Court deems just and proper.

Dated: Jericho, New York  
April 24, 2013

**SILVERMANACAMPORA LLP**  
Attorneys for Kenneth P. Silverman, Esq.,  
the chapter 7 trustee

By: s/ David J. Mahoney  
David J. Mahoney  
Member of the Firm  
100 Jericho Quadrangle, Suite 300  
Jericho, New York 11753  
(516) 479-6300

# **EXHIBIT 1**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
In re:

AGAPE WORLD, INC.,  
AGAPE MERCHANT ADVANCE LLC,  
AGAPE COMMUNITY LLC, AGAPE  
CONSTRUCTION MANAGEMENT LLC,  
AGAPE WORLD BRIDGES LLC, AND  
114 PARKWAY DRIVE SOUTH LLC,

Debtors.

-----X  
KENNETH P. SILVERMAN, ESQ., as  
Chapter 7 Trustee of Agape World, Inc., *et al.*,

Plaintiff,

-against-

ANTHONY LUCCHETTO, SR.,

Defendant.  
-----X

Chapter 7  
Case No.: 09-70660 (DTE)  
Substantively Consolidated

Adv. Pro. No.: 11-08210 (REG)

**ORDER UNDER BANKRUPTCY RULE 9019(a) APPROVING A STIPULATION  
SETTLING THE TRUSTEE'S CLAIMS AGAINST ANTHONY LUCCHETTO, SR.**

Upon the Notice of Hearing (the "Notice"), dated April 24, 2013, and related application (collectively, the "Application") of Kenneth P. Silverman, Esq., the chapter 7 trustee (the "Trustee") of the substantively consolidated estate of Agape World, Inc., *et al.*, by his counsel, SilvermanAcampora LLP, seeking the entry of an Order approving a Stipulation (the "Stipulation") Settling the Trustee's Claims Against Anthony Lucchetto, Sr. (the "Defendant"); and upon the Affidavit of Service filed with the Court; and no objections to the Application or the proposed Order having been filed; and the Court having found that the settlement of the Trustee's claims pursuant to 11 U.S.C. §§105, 502, 544, 548, 550 and 551, New York Debtor and Creditor Law §§273, 274, 275, 276 and 276-a, and New York common law against Defendant to be fair, reasonable and in the best interest of the Debtors' estate; and sufficient cause having been shown therefor; and after due deliberation and consideration having been

had; and it appearing that sufficient notice of the Application and proposed Order has been given; and it appearing that good and sufficient cause exists for granting the Application and proposed Order; and no additional notice being necessary or required:

**NOW, THEREFORE,** upon the Notice and Application of the Trustee and pursuant to Federal Rule of Bankruptcy Procedure 9019(a) and other applicable law, it is hereby

**ORDERED,** that service of the Notice and Application and proposed Order, having been provided to: (i) the Office of the United States Trustee; (ii) Nicholas Cosmo, former principal of the Debtors, (iii) Defendant, (iv) Defendant's counsel, (v) the appropriate taxing authorities, and (vi) all parties having filed a Notice of Appearance in this case, and copies have been posted on the Trustee's website located at [www.agapeworldbankruptcy.com](http://www.agapeworldbankruptcy.com) complies with this Court's Order Establishing Noticing Procedures entered on July 8, 2009 and is otherwise sufficient; and it is further

**ORDERED,** that the Application is granted, and it is further

**ORDERED,** that the settlement of the Trustee's Claims against Defendant as memorialized in the Stipulation is approved; and it is further

**ORDERED,** that the Trustee be, and hereby is authorized and directed to take such steps, execute such documents and expend such funds as may be reasonably necessary to effectuate and implement the terms and conditions of this Order.

**SO ORDERED:**

# **EXHIBIT 2**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
In re:

Chapter 7  
Case No.: 09-70660 (DTE)  
Substantively Consolidated

AGAPE WORLD, INC.,  
AGAPE MERCHANT ADVANCE LLC,  
AGAPE COMMUNITY LLC, AGAPE  
CONSTRUCTION MANAGEMENT LLC,  
AGAPE WORLD BRIDGES LLC, AND  
114 PARKWAY DRIVE SOUTH LLC,

Debtors.

-----X  
KENNETH P. SILVERMAN, ESQ., as  
Chapter 7 Trustee of Agape World, Inc., *et al.*,

Plaintiff,

Adv. Pro. No.: 11-08210 (REG)

-against-

ANTHONY LUCHETTO, SR.,

Defendant.

-----X

**STIPULATION SETTLING THE TRUSTEE'S CLAIMS**

I. On February 5, 2009 (the "Filing Date"), an involuntary chapter 7 petition was filed by four petitioning creditors (the "Petitioning Creditors") pursuant to 11 U.S.C. §303(b), against Agape World, Inc. ("AWI"), in the United States Bankruptcy Court for the Eastern District of New York.

II. On February 9, 2009, the Petitioning Creditors filed a motion to appoint an interim chapter 7 trustee under 11 U.S.C. §303(g).

III. On February 12, 2009, the Court granted the Petitioning Creditors' motion and entered an order directing the United States Trustee's Office to immediately appoint an interim chapter 7 trustee in the AWI case.

IV. On February 12, 2009, Kenneth P. Silverman, Esq., was appointed the interim trustee in the AWI case, and has since duly qualified and is now the permanent Trustee in the Debtors' substantively consolidated case.

V. On March 4, 2009, the Court issued an Order for relief in the AWI chapter 7 case.

VI. On April 14, 2009, the Court issued an Order substantively consolidating AWI, Agape Merchant Advance LLC, Agape Community LLC, Agape Construction Management, LLC, Agape World Bridges LLC, and 114 Parkway Drive South LLC (collectively, the "Debtors").

VII. The Trustee and his counsel have investigated the financial affairs of the Debtors, including a detailed analysis of the extent and validity of certain transfers made to Anthony Lucchetto, Sr., a/k/a Antonio Lucchetto ("Defendant").

VIII. Thereafter, the Trustee commenced this adversary proceeding against Defendant filing a complaint asserting that certain transfers totaling \$86,332.05 (the "Net Transfers") made to Defendant are recoverable pursuant to 11 U.S.C. §§105, 541, 544, 548, 550 and New York Debtor and Creditor Law §§ 273, 274, 275, 276 ("The Trustee's Claims").

IX. Thereafter, Defendant retained counsel to defend against the Trustee's Claims.

X. After the parties conducted discovery, Defendant filed a motion for summary judgment on January 14, 2013. The Trustee opposed the motion and after a hearing on February 26, 2013, the Court denied the motion for summary judgment.

XI. Thereafter, the parties engaged in extended negotiations regarding the possible settlement of this adversary proceeding and all other matters concerning the Debtors, Defendant, Serafino Holdings LLP, Serafino Retirement Holdings LLC, and Defendant's son, Anthony Lucchetto.

XII. In the spirit of compromise and without any admission of liability, Defendant has offered to pay \$47,500 (the "Settlement Sum") to the Trustee, and waive proof of claim #4795 in full and final settlement of the Trustee's Claims, those claims asserted against Defendant in Adv. Pro. No. 10-08968 (DTE) (the "Serafino Action"), and any other claims that the Trustee could have asserted against Defendant.

XIII. In addition, based upon the demonstration that Serafino Holdings LLC was a "net loser" in its dealings with Agape, the Trustee has agreed to execute stipulations dismissing the

Serafino Action and Adv. Pro. No. 11-09131 against Anthony Lucchetto, upon the effective waiver of proofs of claim #4792 (in the name of Serafino Holdings LLP), and proof of claim #4794 (in the name of Serafino Retirement Holdings LLP) (collectively, the "Serafino Claims"). Anthony Lucchetto shall consent to the waiver of the Serafino Claims to the extent allowed by the Final Judgment and Consent Order by the Superior Court of New Jersey, Union County, Docket No. UNN-C-32-09, entered April 6, 2011.

XIV. Based upon the his review of all documentation related to all transactions by and between the Debtors and Defendant, and his investigation of all attendant factors, the Trustee has, in his business judgment, agreed to settle the Trustee's Claims upon the following terms and conditions, which the Trustee believes are fair and reasonable, especially in light of the costs and uncertainty associated with litigation.

**NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED**, by and among the parties hereto, that the Trustee's Claims are resolved upon the terms and conditions set forth herein as follows:

**Defendant's Obligation to Pay the Settlement Sum**

1. This settlement is subject to Bankruptcy Court approval pursuant to Fed. R. Bankr. P. 9019. Upon receipt of the executed stipulation and first installment payment as set forth in paragraph 2 below, the Trustee will move for entry of an order approving the settlement (the "Approval Order").

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2. The Trustee has authorized Defendant to pay the Settlement Sum in 6 installments as set forth as follows:

Payment Number	Due Date	Amount Due
1	Upon signing this stipulation	\$20,000
2	August 15, 2013	\$5,500
3	November 15, 2013	\$5,500
4	February 15, 2014	\$5,500
5	May 15, 2014	\$5,500
6	August 30, 2014	\$5,500

3. All installments shall be payable to "Kenneth P. Silverman, Esq., as Chapter 7 Trustee." All installments shall be mailed to the Trustee's counsel at:

**SilvermanAcampora LLP**  
**100 Jericho Quadrangle, Suite 300**  
**Jericho, New York, 11753**  
**Attention: Randy J. Schaefer, Esq.**

4. Nothing contained herein shall preclude or penalize Defendant from pre-paying any installment or portion of any installment at any time.

5. If Defendant fails to make timely payment of any installment of the Settlement Sum in accordance with paragraph 2, above, or if Defendant's payment is dishonored for any reason whatsoever and Defendant does not cure such default within five (5) business days after written notice sent by Federal Express or other reputable overnight courier to Defendant and Defendant's counsel at the addresses set forth herein, then the Trustee shall be entitled to move before the Bankruptcy Court, without further notice and upon the Trustee's affidavit attesting to the default (a) for the entry of a judgment against Defendant for \$86,332.05, plus

costs, (less any sums previously paid as provided herein), and (b) for any further relief necessary to enforce his rights under this Stipulation.

6. Written notice of default shall be sent by Federal Express or other reputable overnight courier to:

Defendant at:

Antonio Lucchetto  
247 State Route 12  
Flemington, New Jersey 08822

Defendant's attorney at:

Lester & Associates  
600 Old Country Road, Suite 229  
Garden City, New York 10018  
Attn: Gabriel Korinman, Esq.

7. Any portion of the Settlement Sum received prior to the Approval Order's entry shall be held in the Trustee's segregated "Earnest Money" account until the Approval Order becomes final and non-appealable under 28 U.S.C. §158(c)(2) and Bankruptcy Rule 8002.

8. Upon the Approval Order becoming final and non-appealable, (which is the 14<sup>th</sup> day after the Approval Order's entry), the Trustee's counsel will transfer all portions of the Settlement Sum being held in the segregated "Earnest Money" account to the Debtors' estate account. If the Bankruptcy Court denies the entry of the Approval Order, the Trustee shall return any portion of the Settlement Sum being held in the segregated "Earnest Money" Account, without interest, to Defendant's counsel without undue delay.

9. If the Court does not enter the Approval Order, this Stipulation will be null and void and nothing contained herein can be used as evidence by either party.

**Releases**

10. Upon the Approval Order becoming final and non-appealable, and the Trustee's receipt and clearance of each installment of the Settlement Sum, the Trustee and the estate release and forever discharge Defendant from any and all claims, claims for relief, demands, costs, expenses, damages, liabilities, and obligations of any nature. For clarification, this paragraph is not intended and shall not be deemed to affect Defendant's obligation to make

timely payment of the Settlement Sum or adversely affect the Trustee's rights and remedies if Defendant fails to make timely payment of the Settlement Sum.

11. Upon the Approval Order becoming final and non-appealable, Defendant releases, discharges, and waives any and all claims against the Debtor's estate, the Trustee and the Trustee's agents, attorneys, assigns and successors-in-interest from any and all claims, proofs of claim, claims for relief, demands, costs, expenses, damages, liabilities, and obligations of any nature. For clarification, this waiver expressly includes a waiver, and withdrawal with prejudice of proof of claim #4795, in the amount of \$254,892.75.

**No Admission**

12. It is understood and agreed that this Stipulation is entered into to avoid costly and protracted litigation. Neither the execution of this Stipulation, nor the payment of the Settlement Sum shall be construed as an admission on Defendant's part.

**Miscellaneous**

13. This Stipulation may be executed in one or more counterparts, with each part being deemed a part of the original document, and facsimile or other electronic signatures shall be deemed an original signature.

14. The person executing this Stipulation on behalf of each respective party warrants and represents that she or he is authorized and empowered to execute and deliver this Stipulation on behalf of such party.

15. This Stipulation may not be altered, modified, or changed unless in writing, signed by the parties or their counsel.

16. The Bankruptcy Court shall retain exclusive jurisdiction over the subject matter of this Stipulation, including but not limited to its enforcement and the implementation and interpretation of its terms and conditions.

17. This Stipulation shall be governed by the laws of the State of New York, except with respect to matters as to which federal law is applicable without regard to any conflicts of law principles.

18. The Trustee and Defendant are each responsible for their own costs and attorneys' fees incurred in connection with this proceeding.

19. Upon the entry of this Stipulation as an Approval Order in this proceeding, the Clerk of the Court is directed to close this adversary proceeding.

[one signature page to follow]

Dated: Jericho, New York  
April 19, 2013

**SILVERMANACAMPORA LLP**  
Attorneys for Kenneth P. Silverman, Esq.,  
The Chapter 7 Trustee

By:           s/David J. Mahoney            
David J. Mahoney, Esq.  
A Member of the Firm  
100 Jericho Quadrangle, Suite 300  
Jericho, New York 11753  
(516) 479-6300

Dated: New York, New York  
April 18, 2013

**Lester & Associates**  
Attorneys for Defendant

By:           s/Roy J. Lester            
Roy Lester, Esq.  
Gabriel Korinman, Esq.  
600 Old Country Road, Suite 229  
Garden City, New York 10018  
(516) 357-9191

Dated: Flemington, New Jersey  
April 18, 2013

**Anthony Lucchetto Sr., a/k/a Antonio  
Lucchetto**  
Defendant

          s/Antonio Lucchetto            
Anthony Lucchetto Sr., a/k/a Antonio  
Lucchetto

**SO ORDERED:**