

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

Presentment Date: August 8, 2014
Time: 9:30 a.m.

Objections Due: August 5, 2014
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.

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

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

Plaintiff,

Adv. Pro. No.: 10-08351 (AST)

-against-

THOMAS CILLOTTA,

Defendant.
-----X

**NOTICE OF PRESENTMENT OF AN ORDER UNDER
FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019(a) APPROVING THE
STIPULATION SETTLING THE TRUSTEE'S CLAIMS AGAINST THOMAS CILLOTTA**

PLEASE TAKE NOTICE, that upon the annexed motion (the "Motion"), 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, will present a proposed order before the Honorable Alan S. Trust, United States Bankruptcy Judge, United States Bankruptcy Court for the Eastern District of New York, located at the Alfonse M. D'Amato Federal Courthouse, 290 Federal Plaza, Courtroom 960, Central Islip, New York 11722 on **August 8, 2014 at 9:30 a.m.**, seeking entry of an Order under Bankruptcy Rule 9019(a)

Approving the Stipulation Settling the Trustee's Claims against Thomas Ciliotta. A copy of the proposed Order is attached to the Motion as **Exhibit 1**.

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 Alan S. Trust, United States Bankruptcy Judge, United States Bankruptcy Court, Eastern District of New York, Alfonse M. D'Amato Federal Courthouse, 290 Federal Plaza, Courtroom 960, 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 **August 5, 2014 at 5:00 p.m.**

PLEASE BE ADVISED, that if an objection is timely filed to the relief requested, or if the Court determines that a hearing is appropriate, the Court will schedule a hearing. Notice of such hearing will be provided by the applicant.

PLEASE BE ADVISED, that if no objection is received by the Objection Deadline, the order may be signed without a hearing.

Dated: Jericho, New York
June 27, 2014

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

By: s/ David J. Mahoney
Anthony C. Acampora
David J. Mahoney
Members of the Firm
100 Jericho Quadrangle, Suite 300
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SILVERMANACAMPORA LLP

Counsel to Kenneth P. Silverman, Esq.,
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David J. Mahoney, Esq.

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

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In re:

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

Debtors.

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

Plaintiff,

-against-

THOMAS CILIOTTA,

Defendant.
-----X

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

Adv. Pro. No.: 10-08351 (AST)

**MOTION FOR AN ORDER UNDER FEDERAL
RULE OF BANKRUPTCY PROCEDURE 9019(a) APPROVING THE
STIPULATION SETTLING THE TRUSTEE'S CLAIMS AGAINST THOMAS CILIOTTA**

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 motion (the "Motion") under 11 U.S.C. §105 and Federal Rules of Bankruptcy Procedure 9019(a) for entry of an Order (attached as **Exhibit A**) approving the settlement of the Trustee's claims against Thomas Ciliotta (the "Defendant") as memorialized in the Stipulation Settling the Trustee's claims against Thomas Ciliotta (the "Stipulation"), which is

attached as **Exhibit B**. All parties are encouraged to review the Stipulation in its entirety for the specific terms of the 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 (Docket 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 Defendant received certain transfers totaling One Hundred Sixty-Two Thousand Four Hundred Fifty and 00/100

(\$162,450.00) Dollars (the "Transfers") made by the Debtors to Defendant within 90 days prior to the Filing Date.

9. On June 11, 2009, Defendant filed a general unsecured claim in the Debtors' consolidated bankruptcy cases, assigned claim number 3607 ("Claim 3607"), in the amount of \$400,000.00.

10. On August 25, 2010, the Trustee commenced this adversary proceeding (Adv. Pro. No. 10-08351) against Defendant by the filing of a complaint (the "Adversary Proceeding"), asserting that the Transfers are avoidable pursuant to 11 U.S.C. §§105, 502, 547, 550, and 551, (the "Trustee's Claims").

11. On April 4, 2012, the Trustee filed a motion (the "Default Motion") for a default judgment against Defendants for Defendant's failure to answer or otherwise respond in the Adversary Proceeding.

12. On May 29, 2012, Defendant interposed an answer to the Complaint. Thereafter, the Trustee voluntarily withdrew the Default Motion.

13. The Parties engaged in informal discovery related to the Trustee's Claims and the defenses asserted by Defendant, during which Defendant produced a Certified Financial Disclosure Statement.

14. Defendant has offered to pay \$16,000.00 (the "Settlement Sum") to the Trustee, and arrange for the waiver of Claim 3607, in full and final settlement of the Trustee's Claims.

15. Based upon the Trustee's review of all documentation related to the Transfers and his investigation of all attendant factors, including Claim 3607, the Trustee has, in his business judgment, agreed to settle the Trustee's Claims.

16. For all the reasons set forth herein, the Trustee submits that accepting Defendant's offer to remit the Settlement Sum and arrange for the waiver of Claim 3607, 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 interest of the Debtors' estate.

Settlement

17. The Trustee has determined that settling this matter for the Settlement Sum, and a waiver of Claim 3607, is the most economical and efficient way to realize a meaningful recovery for the creditor's benefit without incurring additional legal fees and the risks inherent with prosecuting the Trustee's Claims and collecting on any resulting judgment efforts.

Basis for Relief Requested

18. Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") governs the approval of compromises and settlements, and provides as follows:

On motion by the trustee and after notice and a 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.

FED. R. BANKR. P. 9019(a).

19. In approving the compromise and settlement, the 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 such 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.¹

20. In making its determination on the "propriety of the settlement," the Court should consider whether the proposed settlement is in the "best interest of the estate."² As stated in

¹ *In re Iridium Operating LLC*, 478 F.3d 452, 462 n.15 (2d Cir. 2007) (quoting *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 *In re Arrow Air, Inc.*, 85 B.R. 886, 891 (Bankr. S.D. Fla. 1988); *In re Bell & Beckwith*, 77 B.R. 606, 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").

² *Handler v. Roth (In re Handler)*, 386 B.R. 411, 420 (Bankr. E.D.N.Y. 2007) (quoting *In re Adelphia Communications Corp.*, 327 B.R. 143, 158 (Bankr. S.D.N.Y. 2005)); *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).

Arrow Air, the "approval of [a] proposed compromise and settlement is a matter of this Court's sound discretion."³ In passing upon a proposed settlement, "the bankruptcy court does not substitute its judgment for that of the trustee."⁴ 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."⁵ In passing upon the reasonableness of a proposed compromise, the Court "may give weight to the opinions of the Trustee, the parties and their counsel."

21. The Second Circuit in *In re Iridium Operating LLC*⁶ outlined the following seven factors (the "Iridium Criteria") to be considered by a court in deciding whether to approve a compromise or settlement:

- i. the balance between the litigation's possibility of success and the settlement's present and future benefits;
- ii. the likelihood of complex and protracted litigation, with its attendant expense, inconvenience, and delay, including the difficulty in collecting on the judgment if the settlement is not approved;
- iii. the paramount interest of the creditors, including the proportion of class members who do not object to or who affirmatively support the settlement;
- iv. whether other parties in interest support the settlement;
- v. the competency and experience of the counsel who support the proposed settlement;
- vi. the relative benefits to be received by individuals or groups within the class; and
- vii. the extent to which the settlement is the product of arm's

³ *Arrow Air*, supra, 85 B.R. at 891.

⁴ *In re Depo*, 77 B.R. at 384 (citations omitted).

⁵ *Bell & Beckwith*, 77 B.R. at 612; see also *In re Handler*, 386 B.R. at 421.

⁶ 478 F.3d 452, 462 (2d Cir. 2007).

length bargaining.⁷

22. The Settlement Sum represents a guaranteed recovery to the estate. Moreover, by arranging for the waiver of Claim 3607, Defendant has provided additional consideration and reduced the costs associated with administering those claims, all of which provides a benefit to the Debtors' creditors.

23. The Trustee does not anticipate that any of the Debtors' creditors will object to Stipulation or the relief requested in this Motion.

24. The Stipulation is a product of extensive arm's length bargaining and exceeds the lowest range of reasonableness consistent with the applicable law.

25. The Parties are represented by competent and experienced counsel.

26. The Trustee submits that considering the costs and uncertainties associated with trial, and the resulting litigation that would be necessary to enforce the judgment against Defendant, it is unlikely that further litigation would result in a "net benefit" of the Debtors' estate in excess of the Settlement Sum and the waiver of Claim 3607, particularly in light of the Certified Financial Disclosure Statement provided by the Defendant. In the Trustee's sound business judgment, 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

27. The Trustee has served the Notice of Motion, proposed Order, and Motion in support (with Exhibits) upon: (i) the Office of the United States Trustee; (ii) Nicholas Cosmo, Debtors' former principal; (iii) Defendant; (iv) Defendant's counsel; (v) the Internal Revenue Service and other governmental agencies to the extent required by the Bankruptcy Rules and the Local Rules; 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. The

⁷ See *In re Iridium Operating LLC*, 478 F.3d at 462; See also *In re Handler*, 386 B.R. at 421.

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.

28. 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 Motion approving the Stipulation and grant such other further and different relief as this Court deems just and proper.

Dated: Jericho, New York
June 27, 2014

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

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

Exhibit A

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-

THOMAS CILIOTTA,

Defendant.
-----X

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

Adv. Pro. No.: 10-08351 (AST)

**ORDER UNDER FEDERAL RULE OF
BANKRUPTCY PROCEDURE 9019(a) APPROVING THE
STIPULATION SETTLING THE TRUSTEE'S CLAIMS AGAINST THOMAS CILIOTTA**

Upon the Notice of Motion (the "Notice"), dated June 27, 2014, and related documents (collectively, the "Motion") 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 the Stipulation Settling the Trustee's Claims against Thomas Ciliotta (the "Defendant"), and upon the Affidavit of Service filed with the Court; and no objections to the Motion or the proposed Order having been filed; and the Court having found that settling the Trustee's claims arising under 11 U.S.C. §§105, 547, 550, and 551, is reasonable and in the best interest of the Debtors' estate; and sufficient cause having been shown therefor; and after due deliberation and consideration; and it appearing that sufficient notice of the Motion and proposed Order has been given; and it

appearing that good and sufficient cause exists for granting the Motion and proposed Order; and no additional notice being necessary or required:

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

ORDERED, that service of the Notice and Motion and proposed Order, having been provided to: (i) the Office of the United States Trustee; (ii) Nicholas Cosmo, Debtors' former principal; (iii) Defendant; (iv) Defendant's counsel; (v) the Internal Revenue Service and other governmental agencies to the extent required by the Bankruptcy Rules and the Local Rules; 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 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 Motion 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 is authorized to take such steps, execute such documents and expend such funds as may be reasonably necessary to implement the terms of this Order.

Exhibit B

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.

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

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

Plaintiff,

Adv. Pro. No.: 10-08351 (AST)

-against-

THOMAS CILIOтта,

Defendant.
-----X

**STIPULATION SETTLING THE
TRUSTEE'S CLAIMS AGAINST THOMAS CILIOтта**

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 by the Debtors to Thomas Ciliotta (the "Defendant") prior to the Filing Date.
- VIII. On June 11, 2009, Defendant filed a general unsecured claim in the Debtors' consolidated bankruptcy cases, assigned claim number 3607 ("Claim 3607"), in the amount of \$400,000.00.
- IX. On August 25, 2010, the Trustee commenced this adversary proceeding against Defendant by the filing of a complaint (the "Complaint"), wherein the Trustee asserted that certain transfers totaling \$162,450.00 (the "Transfers") made by the Debtors to Defendant within 90 days prior to the Filing Date are avoidable pursuant to 11 U.S.C. §§105, 547, and 550 (the "Trustee's Claims").
- X. On April 4, 2012, the Trustee filed a motion (the "Default Motion") for a default judgment against Defendant for Defendant's failure to answer or otherwise respond.
- XI. On May 29, 2012, Defendant interposed an answer to the Complaint. Thereafter, the Trustee voluntarily withdrew the Default Motion.
- XII. The parties engaged in informal discovery related to the Trustee's Claims and defenses asserted by Defendant, during which the Defendant produced a Certified Financial Disclosure Statement.
- XIII. In the spirit of compromise and without any admission of liability, Defendant has offered to remit the sum of \$16,000.00 (the "Settlement Sum") to the Trustee, and waive any claim against the Debtors' estate, including, but not limited to, Claim 3607, in full and final settlement of the Trustee's Claim.
- XIV. Based upon his review of all documentation related to the Transfers and his

investigation of all attendant factors, including the Certified Financial Disclosure Statement, the Trustee has, in his business judgment, agreed to settle the Trustee's Claim 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, the Trustee's Claim is resolved upon the terms and conditions set forth herein as follows:

Defendant's Obligation to Pay the Settlement Sum

1. This Stipulation (the "Stipulation") is subject to the approval of the United States Bankruptcy Court for the Eastern District of New York (the "Approval Order").
2. The Trustee has authorized Defendant to pay the Settlement Sum in two (2) monthly installments (the "Installments"): (i) the first Installment, in the amount of \$8,000.00, is due upon execution of this Stipulation; and (ii) the second and final Installment, in the amount of \$8,000.00, is due is due on or before the Approval Order becomes final and non-appealable. Defendant will remit the each Installment to "Kenneth P. Silverman, Esq., as Chapter 7 Trustee," by delivering a check to Trustee's counsel at SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York, 11753, Attn: Cooper J Macco, Esq. Nothing contained herein shall preclude or penalize Defendant from pre-paying any Installment or any portion of any Installment. If Defendant fails to make timely payment of the Settlement Sum in accordance with the above, or if Defendant's payment is dishonored for any reason whatsoever and Defendant does not cure such default within ten (10) business days after written notice is 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 upon the affidavit by the Trustee attesting to the default (a) for the entry of a judgment against Defendant \$162,450.00, together with costs, less any sums previously paid as provided herein, and (b) for any further relief necessary to enforce the Trustee's rights under this Stipulation. Written notice of default shall be sent to (i) Defendant at 6

Tammi Court, Kings Park, New York 11754; and (ii) Defendant's counsel at 66 Split Rock Road, Syosset, New York 11791.

3. The Settlement Sum shall be held by the Trustee in a 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.

4. Upon the Approval Order becoming final and non-appealable, on the fourteenth day after the date of the entry of the Approval Order, the Trustee will transfer the Settlement Sum being held in the segregated "Earnest Money" account into the Debtors' estate account. If the Bankruptcy Court denies the entry of the Approval Order, the Trustee will return the Settlement Sum to Defendant counsel without undue delay.

5. If the Court does not enter the Approval Order, this Stipulation will be null and void and none of the terms herein shall be usable as evidence by either party.

Releases

6. Upon the entry of the Approval Order, and the Trustee's receipt and clearance of the Settlement Sum, the Trustee and the estate release and forever discharge Defendant, his affiliated entities, agents, representatives, attorneys, directors, assigns and successors-in-interest from any and all claims, claims for relief, demands, costs, expenses, damages, liabilities, and obligations of any nature arising out of or relating to the Trustee's Claims.

7. Upon the entry of the Approval Order, Defendant releases, discharges and waives any and all claims against the Debtors' Estate, the Trustee and the Trustee's agents, attorneys, assigns and successors-in-interest from any and all claims, claims for relief, demands, costs, expenses, damages, liabilities, and obligations of any nature.

Effect on Timely Filed Proofs of Claim

8. As additional consideration for settling the Trustee's Claim, Defendant agrees to:
(i) waive his right to receive a distribution on any scheduled claim potentially listed on Schedule F of the Debtors' petitions; (ii) waive his right to file a proof of claim under Bankruptcy Code §502(h) in connection with the Settlement Sum; (iii) waive any and all claims against the

Debtors' estates, including a waiver of Claim 3607 in its entirety; (iv) waive his right to any further distribution from the Debtors' estate; (v) execute the attached notice of waiver of the Claim 3607 (the "Notice of Waiver"), annexed hereto as **Exhibit A**; and (vi) authorize the Trustee's counsel to electronically file the Notice of Waiver with the Bankruptcy Court, and deliver the Notice of Waiver to the Trustee's retained claims and noticing agent.

No Admission

9. 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. 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 in the event that Defendant fails to make timely payment of the Settlement Sum.

Miscellaneous

10. 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.

11. 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.

12. 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.

13. 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.

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

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

Dated: Jericho, New York
June __, 2014

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

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

Dated: Syosset, New York
June 12, 2014

LAW OFFICES OF MARK J. FRIEDMAN, P.C.
Attorneys for Defendant

By: s/ Mark Friedman
Mark J. Friedman
66 Split Rock Road
Syosset, New York 11791
(516) 653-2480

Dated: June 12, 2014

THOMAS CILIOTTA
Defendant

By: s/ Thomas Ciliotta
Thomas Ciliotta
6 Tammi Court
Kings Park, New York 11754

Exhibit A

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

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

**NOTICE OF WAIVER AND WITHDRAWAL WITH PREJUDICE OF CLAIM
NUMBER 3607, IN THE AMOUNT \$400,000.00, FILED BY THOMAS CILIOTTA**

On June 11, 2009, Thomas Ciliotta ("Claimant") filed a general unsecured claim against the above-captioned debtors (the "Debtors") in the amount of \$400,000.00, which has been designated claim number 3607 ("Claim 3607") on the Debtors' claims register. Pursuant to a stipulation of settlement fully and finally resolving Adv. Pro. No. 10-08351, to which this Notice is an exhibit, between the Trustee (defined below) and Claimant, Claimant hereby waives and withdraws, with prejudice, Claim 3607.

SilvermanAcampora LLP, counsel to Kenneth P. Silverman, Esq., the chapter 7 trustee (the "Trustee") of the Debtors' substantively consolidated cases, is authorized to file this Notice with the Bankruptcy Court and with the Debtors' retained claims agent, in order to facilitate the waiver and withdrawal of Claim 3607. A copy of Claim 3607 is attached hereto.

Dated: June 12, 2014

THOMAS CILIOTTA
Claimant

By: s/ Thomas Ciliotta
Thomas Ciliotta
6 Tammi Court
Kings Park, New York 11754