

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-

NEW VIEW DESIGNS, INC.,

Defendant.
-----X

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

Adv. Pro. No.: 11-08477 (REG)

NOTICE OF HEARING OF TRUSTEE'S APPLICATION UNDER BANKRUPTCY RULE 9019(a) SEEKING THE ENTRY OF AN ORDER (I) RE-OPENING THE ADVERSARY PROCEEDING; (II) APPROVING THE STIPULATION OF SETTLEMENT AGAINST NEW VIEW DESIGNS, INC.; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING

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 (I) re-opening the adversary

proceeding; (II) approving the stipulation of settlement against New View Designs Inc.; (III) re-closing the adversary proceeding. 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
(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-

NEW VIEW DESIGNS, INC.,

Defendant.
-----X

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

Adv. Pro. No.: 11-08477 (REG)

TRUSTEE'S APPLICATION UNDER BANKRUPTCY RULE 9019(a)
SEEKING THE ENTRY OF AN ORDER (I) RE-OPENING THE ADVERSARY
PROCEEDING; (II) APPROVING THE STIPULATION OF SETTLEMENT AGAINST NEW
VIEW DESIGNS, INC.; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING

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(a) for entry of an Order (annexed hereto as **Exhibit 1**) (I) re-opening the adversary proceeding; (II) 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 New View Designs, Inc.

as memorialized in the stipulation of settlement against New View Designs Inc. (the “Stipulation”) which has been annexed hereto as **Exhibit 2**; and (III) re-closing the adversary proceeding. 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 New View Designs, Inc. ("Defendant") received certain transfers totaling Sixty-Six Thousand Four Hundred Seventy-One and 50/100 (\$66,471.50) Dollars (the "Net Transfers") made by the Debtors to the Defendant that 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 February 3, 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. 11-08477 seeking to, *inter alia*, avoid the Net Transfers pursuant to 11 U.S.C. §§544 and 548, 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. On March 6, 2012, the Trustee filed a motion for default judgment (the "Motion") for Defendant's failure to answer or otherwise respond to the complaint.

11. On April 24, 2012, the Court granted the Motion and entered a judgment (the "Judgment") against the Defendant.

12. Thereafter, the Trustee commenced judgment enforcement proceedings by, *inter alia*, serving an information subpoena and restraining notice on Suffolk County National Bank (collectively, the "Subpoena").

13. In response to the Trustee's Subpoena, Suffolk County National Bank restrained one of the Defendant's bank accounts (the "Bank Accounts").

14. Thereafter, Defendant, through his counsel, contacted the Trustee's counsel with respect to satisfying the Judgment.

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

16. The Trustee and the Defendant, through his counsel, engaged in settlement discussions in an effort to consensually resolve the Adversary Proceeding. Defendant furnished

to the Trustee information concerning defenses to the Trustee's Claims, which if proven at trial, would greatly reduce the potential recovery on the Trustee's Claims. In order to avoid the costs, expenses and uncertainty of continued litigation and judgment enforcement, the parties have now agreed to resolve the Trustee's Claims upon the terms and conditions contained in the Stipulation.

17. In the spirit of compromise, defendant has offered to direct Suffolk National County Bank to remit a bank check or certified funds in the amount of Ten Thousand and 00/100 (\$10,000.00) Dollars (the "Settlement Sum") to the Trustee in full and final satisfaction of the Judgment. The Trustee has received the settlement sum from the defendant and therefore, upon the approval by this court of this stipulation ("Approval Order") the Trustee's judgment against defendant will be deemed satisfied. The Trustee will authorize Suffolk County National Bank to lift the restraint on the Bank Account. Upon the fourteenth day after the entry of the order approving this settlement, the Trustee will promptly file a satisfaction of judgment with this Court and the Suffolk County Clerk.

18. For all of the reasons set forth herein, the Trustee submits that reopening the Adversary Proceeding and accepting Defendant's offer of the Settlement Sum 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

19. The Trustee has determined that re-opening the Adversary Proceeding and settling this matter for the Settlement Sum is the most economical and efficient way to realize a meaningful and beneficial recovery for the benefit of creditors without the need to incur the legal fees and risks inherent with litigating the Trustee's Claims and enforcing the Judgment.

20. After consultation with his retained professionals and in the exercise of his business judgment, the Trustee has determined that the retention of the Settlement Sum outweighs the potential net recovery to the estate if the Trustee elected to further litigate the

possible vacature of the Judgment or further enforce the Judgment.

21. In light of the foregoing and mindful of the costs and risks of litigating the Trustee's Claims and enforcing the Judgment, the Trustee has agreed to accept the Settlement Sum.

Basis for Relief Requested

22. 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.

23. 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").

24. 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.

25. 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).

26. By offering to voluntarily return the Settlement Sum, Defendant has offered to satisfy the Judgment without causing the Debtors' estate to incur significant fees or expenses through litigation and judgment enforcement, which could result in the Trustee recovering less than the Settlement Sum in the event that the Defendant's defenses are proven at trial.

27. The Trustee has already received the settlement sum and therefore the Debtors' estate will not incur additional fees of expenses associated with judgment enforcement. 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

28. 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) the appropriate taxing authorities; and (v) 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 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.

29. 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-

NEW VIEW DESIGNS, INC.,

Defendant.
-----X

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

Adv. Pro. No.: 11-08477 (REG)

**ORDER UNDER BANKRUPTCY RULE 9019(a) (I) RE-OPENING THE
ADVERSARY PROCEEDING; (II) APPROVING THE STIPULATION OF SETTLEMENT
AGAINST NEW VIEW DESIGNS, INC.; (III) RE-CLOSING THE ADVERSARY PROCEEDING**

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 (I) re-opening the adversary proceeding; (II) approving a stipulation of settlement (the "Stipulation") against New View Designs, Inc. (the "Defendant"); and (III) re-closing the adversary proceeding; 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. §§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) the appropriate taxing authorities; and (v) 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 Application is granted, and it is further

ORDERED, that the Clerk of the Court is directed to re-open this adversary proceeding assigned case number 11-08477 (REG); 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.

ORDERED, that the Clerk of the Court is directed to close this adversary proceeding assigned case number 11-08477 (REG).

SO ORDERED:

Exhibit 2

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-

NEW VIEW DESIGNS, INC.,

Defendant.
-----X

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

Adv. Pro. No.: 11-08477 (REG)

SETTLEMENT AGREEMENT

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 Agape to Jacqueline Sendra ("Defendant").
- VIII. On February 3, 2011, the Trustee commenced this adversary proceeding against Defendant by the filing of a complaint asserting that certain transfers totaling \$66,471.50 Dollars (the "Net Transfers") made by the Debtors to Defendant prior to the Filing Date are avoidable pursuant to 11 U.S.C. §§544, 548, 550 and 551 and New York Debtor and Creditor Law §§273 through 276-a and New York Common Law (the "Trustee's Claims").
- IX. On March 6, 2012, the Trustee filed a motion for default judgment (the "Motion") for Defendant's failure to answer or otherwise respond to the complaint.
- X. On April 24, 2012, the Court granted the Trustee's Motion and entered a judgment (the "Judgment") against Defendant.
- XI. Thereafter, the Trustee commenced judgment enforcement proceedings by serving an information subpoena and restraining notice on Suffolk County National Bank (collectively, the "Subpoena").
- XII. In response to the Trustee's Subpoena, Suffolk County National Bank restrained a bank account (the "Bank Account"), identified on the enclosed **Exhibit A** to this stipulation (the "Stipulation").
- XIII. Thereafter, Defendant contacted the Trustee's counsel with respect to satisfying the Judgment.

XIV. In the spirit of compromise and without any admission of liability, Defendant has offered to pay \$10,000.00 (the "Settlement Sum") to the Trustee in full and final satisfaction of the Trustee's Judgment.

XV. Based upon the his review of all documentation related to the Net Transfers and his investigation of all attendant factors, the Trustee has, in his business judgment, agreed to settle the Judgment upon the following terms and conditions, which the Trustee believes are fair and reasonable, especially in light of the costs and uncertainty associated with enforcing the Judgment.

XVI. Upon receipt and clearance of the Settlement Sum, the Trustee will release his restraint on the Bank Account.

XVII. Defendant agrees that it will not close or otherwise deplete the Bank account until the Approval Order, defined below, is final and non-appealable (the 14th day after the Approval Order's entry).

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the parties hereto, that the Trustee's Judgment 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 Defendant will direct Suffolk County National Bank to remit a bank check or certified funds, in the amount of \$10,000.00, from the Bank Account, made payable to "Kenneth P. Silverman, Esq., as Chapter 7 Trustee", by delivering the bank check or certified funds to Trustee's counsel at SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York, 11753, Attention: Wade C. Wilkinson, Esq., with the executed Stipulation no later than June 22, 2012.

3. If Defendant fails to timely pay the Settlement Sum, or if the Trustee does not receive the Settlement Sum from Suffolk County National Bank, in accordance with paragraph 2, above, or if Defendant's payment or the check from Suffolk County National Bank is dishonored for any reason whatsoever, then the Trustee is entitled to (a) enforce the full amount of the Judgment, plus costs, less any sums previously paid as provided herein, and (b) for any further relief necessary to enforce his rights under the Judgment.

4. Upon receipt and clearance of the Settlement Sum, the Trustee will authorize Suffolk County National Bank to lift the restraint on the Bank Account identified in **Exhibit A**.

5. Defendant agrees that it will not close or otherwise deplete the Bank account until the Approval Order is final and non-appealable (the 14th day after the Approval Order's entry).

6. Upon the Approval Order becoming final and non-appealable (the 14th day after the Approval Order's entry) the Trustee will promptly file a Satisfaction of Judgment with the Bankruptcy Court for the Eastern District of New York and the Suffolk County Clerk.

7. 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.

8. Upon the Approval Order becoming final and non-appealable (the 14th day after the Approval Order's entry), the Trustee will transfer the Settlement Sum being held in the segregated "Earnest Money" account into the Trustee's estate account. If the Bankruptcy Court denies the Approval Order's entry, the Trustee will return the Settlement Sum without interest to Defendant without undue delay.

9. If the Court declines to entry the Approval Order, this Stipulation will be null and void and none of the terms herein shall be admissible as evidence by either party.

Releases

10. Upon the execution of this Stipulation, the Trustee's receipt and clearance of the Settlement Sum, and the Approval Order becoming final and non-appealable (the 14th day after the Approval Order's entry), the Trustee and the estate release and forever discharge Defendant, its 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. For purposes of clarification, nothing contained herein shall be construed to be a release by the Trustee of any claims that the Trustee may have or subsequently discover under 11 U.S.C. §550(a)(2) and the Trustee is specifically not releasing any claims under 11 U.S.C. §550(a)(2).

11. Upon the execution of this Stipulation, the Trustee's receipt and clearance of the Settlement Sum, and the Approval Order becoming final and non-appealable (the 14th day after the Approval Order's entry), Defendant releases, discharges and waives any and all claims against the Debtor's estate, the Trustee and the Trustee's 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.

Miscellaneous

12. 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.

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

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

15. 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.

16. 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 __, 2012

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

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

Dated: East Moriches, New York
June __, 2012

NEW VIEW DESIGNS, INC.
Defendant

By: s/ Garth Wallace
Garth Wallace, Principal
560 Montauk Highway
East Moriches, New York 11940

EXHIBIT A

1. Account titled New View Designs Inc. of New View Designs, Inc. at Suffolk County National Bank.