

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.

Hearing Date: March 4, 2014
Time: 9:30 a.m.

Objections Due: February 25, 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.

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

Plaintiff,

-against-

TERESA MARINO,

Defendant.
-----X

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

Adv. Pro. No.: 11-08371 (REG)

**NOTICE OF HEARING ON MOTION FOR AN ORDER UNDER FEDERAL
RULE OF BANKRUPTCY PROCEDURE 9019(a) SEEKING THE ENTRY OF AN
ORDER (I) RE-OPENING THE ADVERSARY PROCEEDING; (II) APPROVING
THE STIPULATION OF SETTLEMENT PROVIDING FOR THE CONDITIONAL
SATISFACTION OF THE TRUSTEE'S JUDGMENT AGAINST
TERESA MARINO; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING**

PLEASE TAKE NOTICE, that upon the motion (the "Motion") dated January 22, 2014, 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 move before the Honorable Robert E. Grossman, United States Bankruptcy Court for the Eastern District of New York, located at Long Island Federal Courthouse, 290 Federal Plaza, Central Islip, New York 11722 on **March 4, 2014 at 9:30 a.m.**, or as soon thereafter as counsel

can be heard, seeking entry of an Order under Bankruptcy Rule 9019(a) (I) Re-Opening the Adversary Proceeding; (II) Approving the Stipulation Providing for the Conditional Satisfaction of the Trustee's Judgment against Teresa Marino; and (III) Re-Closing the Adversary Proceeding.

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 Robert E. Grossman, United States Bankruptcy Judge, United States Bankruptcy Court, Eastern District of New York, Long Island 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 **February 25, 2014 at 5:00 p.m.**

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
January 22, 2014

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

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

SILVERMANACAMPORA LLP

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The Chapter 7 Trustee
100 Jericho Quadrangle, Suite 300
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(516) 479-6300
Anthony C. Acampora, Esq.
David J. Mahoney, Esq.

**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.: 11-08371 (REG)

-against-

TERESA MARINO,

Defendant.

-----X

**MOTION FOR AN ORDER UNDER FEDERAL RULE OF BANKRUPTCY
PROCEDURE 9019(a) SEEKING THE ENTRY OF AN ORDER (I) RE-OPENING THE
ADVERSARY PROCEEDING; (II) APPROVING THE STIPULATION OF SETTLEMENT
PROVIDING FOR THE CONDITIONAL SATISFACTION OF THE TRUSTEE’S JUDGMENT
AGAINST TERESA MARINO; 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 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 1**) (I) Re-Opening the Adversary Proceeding; (II) Approving the Stipulation Providing for the Conditional Satisfaction of the Trustee’s Judgment against Teresa Marino (the “Defendant”), as memorialized in the

Stipulation Providing for the Conditional Satisfaction of the Trustee's Judgment Against Teresa Marino (the "Stipulation"), which is attached as **Exhibit 2**; and (III) Re-Closing the Adversary Proceeding. 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 (i) certain transfers, totaling Fifteen Thousand Two Hundred Eighty-Two and 00/100 (\$15,282.00) Dollars (the "Transfers") from the Debtors prior to the Petition.

9. On January 31, 2011, the Trustee commenced this adversary proceeding against Defendant by the filing of a complaint (Adv. Pro. No. 11-08371) (the "Adversary Proceeding"), asserting that the Transfers are avoidable 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 (the "Trustee's Claims").

10. On March 19, 2012, the Trustee filed a motion for default judgment for Defendant's failure to answer or otherwise respond in the Adversary Proceeding.

11. On April 19, 2012, the Defendant filed an answer (the "Answer") to the Complaint and provided the Trustee with additional information which demonstrated a previously unaccounted for deposit which made the Defendant a net winner of \$8,282.00.

12. On May 8, 2012, the Trustee withdrew its motion for default judgment.

13. Thereafter, on June 26, 2012, the Court entered an Adversary Pre-Trial Scheduling Order requiring all parties to appear for a Pre-Trial Conference on September 11, 2012. Defendant failed to appear at the Pre-Trial Conference.

14. On May 6, 2013, the Court issued an Order assigning this matter to mediation ("Mediation Order") to be held on July 24, 2013. The Mediation Order provided that if Defendant failed to appear at Mediation the Court may strike Defendant's Answer.

15. The Defendant failed to appear at the Mediation and on August 5, 2013 the Court issued an Order striking the Defendant's Answer for Defendant's failure to comply with the Mediation Order.

16. On August 29, 2013, the Trustee filed a motion for default judgment (the "Default Motion").

17. On September 18, 2013, the Court granted the Default Motion and entered a default judgment (the “Judgment”) against Defendant in the amount of \$8,282.00.

18. Thereafter, Defendant contacted the Trustee’s counsel with respect to satisfying the Judgment. The parties engaged in informal discovery related to the Trustee’s Claims and the defenses asserted by the Defendant.

19. Defendant has offered to pay \$5,000.00 (the “Settlement Sum”) to the Trustee in full and final settlement of the Judgment.¹

20. Based upon the Trustee’s review of all documentation related to the Transfers, the Trustee has, in his business judgment, agreed to accept Defendant’s voluntary return of the Settlement Sum in full and final satisfaction of the Trustee’s Judgment.

21. For all the reasons set forth herein, the Trustee submits that accepting Defendant’s offer to remit the Settlement Sum in full and final settlement of the Judgment is a reasonable exercise of the Trustee’s business judgment and is in the best interest of the Debtors’ estate.

Settlement

22. The Trustee has determined that settling this matter for the Settlement Sum 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 collecting on the Judgment.

Basis for Relief Requested

23. 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.

¹ The Settlement Sum has been received by the Trustee and is in the “Estates Earnest Monies” account, pending the Court approval of the Settlement.

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

24. 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.²

25. 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."³ As stated in *Arrow Air*, the "approval of [a] proposed compromise and settlement is a matter of this Court's sound discretion."⁴ In passing upon a proposed settlement, "the bankruptcy court does not substitute its judgment for that of the trustee."⁵ 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."⁶ 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."

² *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").

³ *Handler v. Roth (In re Handler)*, 386 B.R. 411, 420 (Bankr. E.D.N.Y. 2007) (quoting *In re Adelpia 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).

⁴ *Arrow Air*, *supra*, 85 B.R. at 891.

⁵ *In re Depo*, 77 B.R. at 384 (citations omitted).

⁶ *Bell & Beckwith*, 77 B.R. at 612; see also *In re Handler*, 386 B.R. at 421.

26. The Second Circuit in *re Iridium Operating LLC*⁷ 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 length bargaining.⁸

27. The Settlement Sum represents a guaranteed recovery of over 50% of the Transfers for which the Trustee believes Defendant is equitably liable in satisfaction of the Judgment.

28. Based upon the amount of the Transfers, the Trustee does not anticipate that any of the Debtors' creditors will object to Stipulation or the relief requested in this Motion.

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

30. The Trustee submits that considering the costs and uncertainties associated with enforcing the Judgment against Defendant, it is unlikely that further collection efforts would

⁷ 478 F.3d 452, 462 (2d Cir. 2007).

⁸ See *In re Iridium Operating LLC*, 478 F.3d at 462; See also *In re Handler*, 386 B.R. at 421.

result in a “net benefit” of the Debtors’ estate in excess of the Settlement Sum. 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

31. 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) the Internal Revenue Service and other governmental agencies to the extent required by the Bankruptcy Rules and the Local Rules; 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.

32. 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
January 22, 2014

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

By: s/ David J. Mahoney
David J. Mahoney
Members 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-

TERESA MARINO,

Defendant.
-----X

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

Adv. Pro. No.: 11-08371 (REG)

**ORDER UNDER FEDERAL RULE OF BANKRUPTCY
PROCEDURE 9019(a) (I) RE-OPENING THE ADVERSARY
PROCEEDING; (II) APPROVING THE STIPULATION PROVIDING FOR
THE CONDITIONAL SATISFACTION OF THE TRUSTEE'S JUDGMENT
AGAINST TERESA MARINO; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING**

Upon the Notice of Motion (the "Notice"), dated January 22, 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 (I) Re-Opening The Adversary Proceeding; (II) Approving The Stipulation Providing For The Conditional Satisfaction Of The Trustee's Judgment Against Teresa Marino; and (III) Re-Closing The Adversary Proceeding; 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 and judgment arising under 11 U.S.C. §§105, 502, 544, 548, 550, and 551, and New York Debtor and Creditor Law §§273, 274, 275, 276, and 276-a, and New York Common Law, 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 the Motion is granted, and it is further

ORDERED, that the Clerk of the Court is directed to re-open this adversary proceeding assigned case number 11-08371 (REG); and it is further

ORDERED, that the settlement of the Trustee's Claims against the Defendant as memorialized in the Stipulation, a copy of which is annexed to the Motion as Exhibit "2", is approved; and it is further

ORDERED, that the Trustee is authorized to take all actions necessary to have the Judgment marked satisfied against Teresa Marino; and it is further

ORDERED, that upon entry of the within Order the instant Adversary Proceeding shall be re-closed.

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.

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.: 11-08371 (REG).

-against-

THERESA MARINO,

Defendant.
-----X

**STIPULATION PROVIDING FOR THE CONDITIONAL SATISFACTION OF
TRUSTEE'S JUDGMENT AGAINST THERESA MARINO**

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").

The Trustee's Adversary Proceeding

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 Theresa Marino ("Defendant").

VIII. On January 31, 2011, the Trustee commenced this adversary proceeding (the "Adversary Proceeding") against Defendant by filing a complaint, wherein the Trustee asserted that: (i) certain transfers totaling \$15,282.00 (the "Transfers") made by the Debtor to the Defendant are avoidable 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, (the "Trustee's Claims").

IX. Thereafter, Defendant contacted the Trustee's counsel with respect to the complaint and subsequently provided the Trustee with additional information which demonstrated previously unaccounted for deposits, which made the Defendant a net winner of \$8,282.00.

X. On August 29, 2013, the Trustee filed a motion for default judgment (the "Motion") for Defendant's failure to answer or otherwise respond to the complaint.

XI. On September 18, 2013, the Court granted the Trustee's Motion and entered a judgment (the "Judgment") against the Defendant in the amount of \$8,282.00.

XII. Thereafter, the Trustee commenced judgment enforcement proceedings by, *inter alia*, serving an information subpoena and restraining notice (collectively, the "Subpoena") on Capital One (the "Bank").

XIII. Thereafter, Defendant contacted the Trustee's counsel with respect to satisfying the Judgment and the parties engaged in informal discovery related to the Claim and the defenses asserted by Defendant.

XIV. *In the spirit of compromise, and without any admission of liability* Defendant has offered to voluntarily remit the sum of Five Thousand And 00/100 (\$5,000.00) Dollars (the "Settlement Sum") to the Trustee, in full and final satisfaction of the Judgment (the "Stipulation").

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

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the parties hereto, that the Trustee's Judgment be 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. Upon the execution of this Stipulation, the Defendant will remit a check in the amount of \$5,000.00, made payable to "Kenneth P. Silverman, Esq., as Chapter 7 Trustee", by delivering the check to Trustee's counsel at SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York, 11753, Attention: Linda Tumino.

3. The Trustee's proposed satisfaction of the Judgment is expressly conditioned upon his timely receipt of the Settlement Sum. In consideration for Defendant's promise to pay

the Settlement Sum, the Trustee will withhold from further judgment enforcement efforts until January 20, 2014. In the event that the Trustee does not receive the Settlement Sum by January 20, 2014, the Trustee shall be relieved of his duty to satisfy the Judgment under this Stipulation and he shall retain all of his rights and remedies as a judgment creditor under New York law.

4. The Settlement Sum shall be held by the Trustee in a segregated account until the Approval Order becomes final and non-appealable under 28 U.S.C. §158(c)(2) and Bankruptcy Rule 8002.

5. Except as expressly provided herein, 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.

Releases

6. Upon execution of this Stipulation and the Trustee's receipt and clearance of the entire Settlement Sum, the Trustee and the estate release and forever discharge Defendant, its affiliated entities, agents, representatives, attorneys, 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).

7. Upon the Trustee's receipt and clearance of the Settlement Sum, the Trustee and the estate will authorize The Bank to lift the pending restraint on Defendant's Bank Account, cease further efforts to enforce the Judgment and the Trustee will file a satisfaction of Judgment on the docket of this Adversary Proceeding.

Miscellaneous

8. 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.

9. 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.

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

11. 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.

INTENTIONALLY LEFT BLANK

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

Dated: Jericho, New York
December __, 2013

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

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

Dated: Millstone Township, New Jersey
December , 2013

Defendant, Theresa Marino

By: s/ Theresa Marino
Theresa Marino
6 Mountain View Court, Apt. 4G
Millstone Township, New Jersey 08510
(732) 318-0098