

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

Hearing Date: March 6, 2014  
Time: 2:00 p.m.

Objections Due: February 27, 2014  
Time: 5:00 p.m.

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.: 10-08239 (DTE)

-against-

MARK BYRON,

Defendant.  
-----X

**NOTICE OF HEARING OF A MOTION  
FOR AN ORDER (I) RE-OPENING ADVERSARY PROCEEDING;  
(II) APPROVING A STIPULATION SETTling THE TRUSTEE'S CLAIMS  
AGAINST MARK BYRON; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING**

**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 move before the Honorable Dorothy T. Eisenberg, 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 6, 2014 at 2:00 p.m.**, or as soon thereafter as counsel can be heard, seeking entry of an Order (I) re-opening this adversary proceeding; (II) approving a stipulation of

settlement with Mark Byron; 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 Dorothy T. Eisenberg, 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 27, 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  
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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David J. Mahoney, Esq.  
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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 7  
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AGAPE WORLD, INC.,  
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Debtors.

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

Plaintiff,

Adv. Pro. No.: 10-08239 (DTE)

-against-

MARK BYRON,

Defendant.  
-----X

**MOTION FOR AN ORDER**  
**(I) RE-OPENING ADVERSARY PROCEEDING;**  
**(II) APPROVING A STIPULATION SETTling THE TRUSTEE'S CLAIMS**  
**AGAINST MARK BYRON; 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) reopening the adversary proceeding; (II) approving a stipulation settling the Trustee's claims against Mark Byron (the "Defendant"); and (III) reclosing the adversary proceeding, respectfully sets forth and represents as follows:

## 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, net of deposits into Agape, totaling Sixty-Six Thousand Six Hundred Eighty-Two and 00/100 (\$66,682.00) Dollars (the "Net Transfers") from the Debtors prior to the Petition Date.

9. On June, 2010, the Trustee commenced this adversary proceeding against Defendant by the filing of a complaint (Adv. Pro. No. 10-08239) (the "Adversary Proceeding"), asserting that the Transfers are avoidable pursuant to 11 U.S.C. §§105, 502, 544, 547, 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 August 12, 2010, Defendant filed an answer to the Complaint. Thereafter, the parties conducted discovery and a trial date was set.

11. On April 8, 2013, a trial was conducted in the Adversary Proceeding. Defendant did not appear at the trial.

12. On April 23, 2013, judgment was granted in the Trustee's favor and against Defendant in the amount of Sixty-Six Thousand Six Hundred Eighty-Two and 00/100 (\$66,682.00) Dollars.

13. Thereafter, the Trustee commenced judgment enforcement proceedings by, *inter alia*, serving an information subpoena and retraining notice on TD Bank, N.A. (collectively, the "Subpoena").

14. In response to the Subpoena, TD Bank retrained Defendant's bank account (the "Bank Account").

15. Thereafter, Defendant contacted Trustee's counsel with respect to satisfying the Judgment.

16. The parties engaged in further discovery related to the Trustee's Claims, and the equitable defenses asserted by Defendant to enforcement of the Judgment.

17. Through discovery, Defendant furnished the Trustee with certain certified confidential financial information regarding all of Defendant's assets and liabilities (collectively, the "Financial Information"), establishing Defendant's inability to pay a sum to the Trustee in excess of the Settlement Sum (defined below) in order to satisfy the Judgment.

18. In order to avoid the costs, expenses and uncertainty of continued litigation, the parties have now agreed to resolve the Trustee's Claims upon the terms and conditions contained in the stipulation (the "Stipulation"). A copy of the Stipulation is annexed hereto as **Exhibit 2.**

19. Defendant has offered to remit the total sum of Six Thousand and 00/100 (\$6,000.00) Dollars (the "Settlement Sum") to the Trustee in full and final settlement of the Trustee's Claims and in satisfaction of the Judgment.

### **Settlement**

21. The Trustee has determined that 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 legal fees and risks inherent with the prosecution of the Trustee's Claims and any resulting judgment efforts.

22. After consultation with his retained professionals and in the exercise of his business judgment, the Trustee has determined that the Settlement Sum 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.

23. 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 Sum in satisfaction of the Judgment.

### **Basis for Relief Requested**

24. 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.

25. 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").

26. 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.

27. 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).

28. Following the entry of the Judgment and restraining of the Bank Account, Defendant provided the Trustee with the Financial Information, establishing Defendant's inability to remit to the Trustee a sum greater than the Settlement Sum in satisfaction of the Judgment. By offering to remit the Settlement Sum, Defendant has offered to remit a portion of the Net Transfers in satisfaction of the Trustee's Claims and the Judgment, without causing the Debtors' estate to incur significant fees or expenses.

29. The Trustee submits that considering the costs and uncertainties associated with 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 Settlement Sum. 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.

30. Accordingly, the Trustee respectfully requests that this Court enter an Order (I) reopening the adversary proceeding; (II) approving a stipulation settling the Trustee's claims



against Defendant; and (III) reclosing the adversary proceeding.

**Notice**

31. 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](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.

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 enter an Order under Bankruptcy Code §105 and Bankruptcy Rule 9019 (I) reopening the adversary proceeding; (II) approving a stipulation settling the Trustee's claims against Defendant; and (III) reclosing the adversary proceeding, and granting 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  
A 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-

MARK BYRON,

Defendant.  
-----X

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

Adv. Pro. No.: 10-08239 (DTE)

**ORDER (I) RE-OPENING ADVERSARY PROCEEDING;  
(II) APPROVING A STIPULATION SETTLING THE TRUSTEE'S CLAIMS  
AGAINST MARK BYRON; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING**

Upon the Notice of Hearing (the "Notice"), dated January 22, 2014, 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) reopening the adversary proceeding; (II) approving a stipulation settling the Trustee's claims against Mark Byron (the "Defendant"); and (III) reclosing the adversary proceeding; 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 good cause exists to reopen adversary proceeding number 10-08239 (DTE), and the Court having found that the settlement of the Trustee's claims pursuant to 11 U.S.C. §§105, 502, 544, 547, 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 11 U.S.C. §105 and 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](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 adversary proceeding number 10-08239 (DTE) is reopened; 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 proposed satisfaction of judgment against Defendant, as memorialized in the Stipulation, is approved, and it is further

**ORDERED**, that adversary proceeding number 10-08239 (DTE) is to be reclosed upon entry of this Order, 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:

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-

MARK BYRON

Defendant.  
-----x

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

Adv. Pro. No.: 10-08239 (DTE)

**STIPULATION PROVIDING FOR THE CONDITIONAL SATISFACTION OF  
TRUSTEE'S JUDGMENT AGAINST MARK BYRON**

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 Mark Byron ("Defendant").

VIII. On February 7, 2011, the Trustee commenced this adversary proceeding against Defendant by the filing of a complaint, wherein the Trustee asserted that certain transfers totaling Sixty-Six Thousand Six Hundred Eighty Two And 00/100 (\$66,682.00) Dollars (the "Transfers") made by the Debtors to the Defendant prior to the Filing Date were 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 August 12, 2010, Defendant filed his answer (the "Answer") to the Complaint, asserting general denials and certain affirmative defenses.

X. Thereafter, the parties conducted discovery and a trial date was set.

XI. On April 8, 2013, a trial was conducted in the above-captioned adversary proceeding. Defendant did not appear at the trial and judgment was granted in the Trustee's favor in the amount of Sixty-Six Thousand Six Hundred Eighty Two And 00/100 (\$66,682.00) Dollars (the "Judgment").

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



XIII. In response to the Trustee's Subpoena, TD Bank restrained Defendant's bank account(s) (the "Bank Account").

XIV. Thereafter, the Defendant contacted the Trustee's counsel with respect to satisfying the Judgment.

XV. The parties engaged in further discovery related to the Claims, and the equitable defenses asserted by Defendant to enforcement of the Judgment.

XVI. Defendant, has furnished counsel for the Trustee with certain confidential financial information concerning her all assets and liabilities (collectively, the "Financial Information"). Defendant acknowledges that the Trustee is relying upon the accuracy of the Financial Information and would not enter into this Stipulation in the event the Financial Information was materially inaccurate, and acknowledges the reasonableness of such reliance.

XVII. In the spirit of compromise, Defendant has offered to voluntarily remit the sum of Six Thousand And 00/100 (\$6,000.00) Dollars (the "Settlement Sum") to the Trustee in full and final satisfaction of the Trustee's Judgment (the "Stipulation").

XVIII. 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 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 and the Defendant's notarized affidavit.

**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 direct TD Bank, through a letter (the "Trustee's Letter") drafted by the Trustee to TD Bank, authorizing it to remit a check, in the amount of \$6,000.00, from the Bank Account, 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 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, 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.

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.

**No Admission of Criminal or Civil Liability**

6. It is understood and agreed that this Stipulation is entered into to avoid costly and protracted judgment enforcement. Neither the execution of this Stipulation, nor the payment of the Settlement Sum shall be construed as an admission of any criminal or civil liability on Defendants' part. For clarification, this paragraph is not intended and shall not be deemed to affect Defendants' obligation to make timely payment of the Settlement Sum or adversely affect the Trustee's rights and remedies under paragraph 2 in the event that Defendants fail to make timely payment of the Settlement Sum.

### Releases

7. Upon execution of this Stipulation and the Trustee's receipt and clearance of the Settlement Sum, the Trustee and the estate release and forever discharge Defendant, her 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).

8. By executing this Stipulation, Defendant hereby represents and warrants that the Financial Information is accurate and complete. The Trustee specifically reserves the right to retain the benefits of the Settlement Sum herein, which sum shall be a credit against the existing judgment, and to continue judgment enforcement, if Defendant has made any material misrepresentation or omission regarding the nature and extent of her assets and, in such event, the releases set forth herein shall be deemed null and void and will have no force and effect

9. 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.

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

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

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. 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: Elmwood Park, New Jersey  
December 19, 2013

***Defendant, Mark Byron***

By: s/Mark Byron  
Mark Byron  
174 Birchwood Drive  
Elmwood Park, New Jersey 07407