

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: March 28, 2013
Time: 11:00 a.m.

Objections Due: March 22, 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-

LANDTEK GROUP INC.,

Defendant.
-----X

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

Adv. Pro. No.: 10-08921 (DTE)

**AMENDED NOTICE OF MOTION 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 PROVIDING
FOR THE CONDITIONAL SATISFACTION OF TRUSTEE'S JUDGMENT AGAINST
LANDTEK GROUP 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 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 28, 2013 at 11:00 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 providing for the conditional satisfaction of Trustee's judgment against Landtek Group Inc.; and (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 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 **March 22, 2013 at 5:00 p.m.**

PLEASE TAKE FURTHER NOTICE, that if objections to the Application are filed and served in compliance with the above-paragraph, the Court will schedule a hearing on the Application.

Dated: Jericho, New York
February 25, 2013

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

By: s/ David J. Mahoney
Jay S. Hellman
David J. Mahoney
Members of the Firm
100 Jericho Quadrangle, Suite 300
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SILVERMANACAMPORA LLP
Counsel to Kenneth P. Silverman, Esq.,
Chapter 7 Trustee
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(516) 479-6300
Jay S. Hellman, Esq.
David J. Mahoney, Esq.

Hearing Date: March 28, 2013
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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

AGAPE WORLD, INC.,
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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-

LANDTEK GROUP INC.,

Defendant.
-----X

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

Adv. Pro. No.: 10-08921 (DTE)

**TRUSTEE'S AMENDED APPLICATION UNDER BANKRUPTCY
RULE 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 TRUSTEE'S JUDGMENT AGAINST
LANDTEK GROUP 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 "Motion") under 11 U.S.C. §105 and Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for entry of an order (the "Order") approving the proposed settlement of the Trustee's claims under 11 U.S.C. §§544, 548, 550 and 551, New York Debtor and Creditor Law §§ 273 through 276-a and New York Common

Law against Landtek Group Inc. (the “Defendant”), a copy of the proposed Order is annexed hereto as **Exhibit A**, as memorialized in the Stipulation Providing for the Satisfaction of Trustee’s Judgment Against Landtek Group Inc. (the “Stipulation”), a copy of the Stipulation is annexed hereto as **Exhibit B**. All parties are encouraged to review the annexed Stipulation in its entirety for the specific terms of the proposed settlement.

Background

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

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

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

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

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

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

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

8. Based upon Navigant's analysis, the Trustee determined that Defendant received certain transfers totaling Two Hundred Twenty-Seven Thousand Four Hundred Twenty-Five and 68/100 (\$227,425.68) Dollars (the "Transfers") made by the Debtors to the Defendant.

9. On December 6, 2010, 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. 10-08921 seeking to, *inter alia*, avoid the Transfers 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 and to recover the Transfers from Defendant pursuant to 11 U.S.C. §550(a) (the "Trustee's Claims").

10. On July 25, 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 September 10, 2012, the Court granted the Trustee's Motion and entered a default judgment (the "Judgment") against the Defendant.

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

13. The parties engaged in informal discovery related to the Judgment and the defenses asserted by Defendant whereby it was determined that Defendant provided fair consideration to the Debtors in the amount of One Hundred Sixty-Four Thousand Four Hundred Twenty-Five and 68/100 (\$164,425.68) Dollars (the "Fair Consideration"), thereby reducing the Defendant's total Transfers to Sixty-Three Thousand and 00/100 (\$63,000.00) Dollars ("Net Transfers").

14. Specifically, the Debtors provided the Fair Consideration to the Defendant as payment for the Defendant's services related to the construction of an indoor soccer field owned by the substantively consolidated debtor 114 Parkway Drive South LLC (the "Soccer Field"). Subsequently, the Trustee sold the Soccer Field, creating a benefit to the Debtors' estates.

15. In the spirit of compromise, Defendant has offered to voluntarily remit the entire sum of Sixty-Three Thousand and 00/100 (\$63,000.00) Dollars (the "Settlement Sum") to the Trustee in full and final satisfaction of the Judgment.

16. The Trustee has received the Settlement Sum from Defendant and therefore, upon the approval by this Court of the Stipulation ("Approval Order"), the Judgment against the Defendant will be deemed satisfied.

Settlement

17. 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 judgment efforts.

18. After consultation with his retained professionals and in the exercise of his business judgment, the Trustee has determined that the voluntary return of the Settlement Sum outweighs the potential net recovery to the estate if the Trustee elected to enforce the Judgment against the Defendant.

19. In light of the foregoing and mindful of the net benefit the Debtors' estate has already received due to the Trustee's sale of the Soccer Field, the Trustee has agreed to accept the Settlement Sum.

Basis for Relief Requested

20. 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.

21. 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").

22. 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, the parties and their counsel." *Bell & Beckwith*, 77 B.R. at 512.

23. 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).

24. By offering to voluntarily return the Settlement Sum, Defendant has offered to remit 100% of the Net Transfers that were unrelated to the Defendant's work on the Soccer Field, for which the Trustee believes the Defendant may be liable, in satisfaction of the Judgment without causing the Debtors' estate to incur significant fees or expenses.

25. 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.

Notice

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

27. No previous application for the relief requested herein has been made to this or any other Court except for the Trustee's Notice of Hearing and Application dated December 11, 2012, which did not provide for the opening of this adversary.

WHEREFORE, the Trustee respectfully requests that this Court grant this Application to (I) re-open the adversary proceeding; (II) approve the stipulation of settlement providing for the conditional satisfaction of Trustee's judgment against Landtek Group Inc.; and (III) re-close the adversary proceeding and grant such other further and different relief as this Court deems just and proper.

Dated: Jericho, New York
February 25, 2013

SILVERMANACAMPORA LLP
Attorneys for Kenneth P. Silverman, Esq.,
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

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-

LANDTEK GROUP INC.,

Defendant.
-----X

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

Adv. Pro. No.: 10-08921 (DTE)

ORDER UNDER BANKRUPTCY RULE 9019(a) (I) RE-OPENING THE ADVERSARY PROCEEDING; (II) APPROVING THE STIPULATION OF SETTLEMENT PROVIDING FOR THE CONDITIONAL SATISFACTION OF TRUSTEE'S JUDGMENT AGAINST LANDTEK GROUP INC.; AND (III) RE-CLOSING THE ADVERSARY PROCEEDING

Upon the Amended Notice of Motion (the "Notice"), dated February 25, 2013, and related application (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 of settlement providing for the conditional satisfaction of Trustee's judgment against Landtek Group Inc.; and (III) re-closing the adversary proceeding against Landtek Group Inc. (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 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 through 276-a and New York Common Law against Landtek Group Inc. (the "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 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 Notice and Motion 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 Motion and proposed Order, having been provided to: (i) the Office of the United States Trustee; (ii) Nicholas Cosmo, former principal of the Debtors, (iii) Defendant, (iv) Defendant's counsel, (v) the appropriate taxing authorities, and (vi) all parties having filed a Notice of Appearance in this case, and copies have been posted on the Trustee's website located at www.agapeworldbankruptcy.com 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 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.

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 (DTE)
Substantively Consolidated

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

Plaintiff,

Adv. Pro. No.: 10-08921 (DTE)

-against-

LANDTEK GROUP INC,

Defendant.
-----X

**STIPULATION PROVIDING FOR THE SATISFACTION
OF TRUSTEE'S JUDGMENT AGAINST LANDTEK GROUP INC.**

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 LandTek Group, Inc. ("Defendant").

VIII. On December 6, 2010, the Trustee commenced the above-captioned adversary proceeding against Defendant by the filing of a complaint, wherein the Trustee asserted that certain transfers totaling Two Hundred Twenty-Seven Thousand Four Hundred Twenty-Five And 68/100 (\$227,425.68) 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 July 25, 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 September 10, 2012, the Court granted the Trustee's Motion and entered a judgment (the "Judgment") against the Defendant.

XI. Thereafter, Defendant contacted the Trustee's counsel with respect to satisfying the Judgment and has provided evidence to the Trustee demonstrating that it provided fair consideration to the Debtors in the amount of \$164,425.68, thereby reducing the net amount owed to Sixty-Three Thousand and 00/100 (\$63,000.00) Dollars.

XII. In the spirit of compromise, Defendant has offered to voluntarily remit the entire sum of Sixty-Three Thousand and 00/100 (\$63,000.00) Dollars (the "Settlement Sum") to the Trustee in full and final satisfaction of the Trustee's Judgment.

XIII. Based upon the 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 accept the full turnover of the Settlement Sum 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"). Upon receipt of the executed Stipulation, the Trustee will move the Bankruptcy Court for entry of the Approval Order pursuant to Bankruptcy Rule 9019.

2. Upon the execution of this Stipulation, Defendant will remit payment by check, in the amount of \$63,000.00, made payable to "Kenneth P. Silverman, Esq., as Chapter 7 Trustee", delivered to Trustee's counsel at SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York, 11753; Attn: Randy J. Schaefer, Esq.

3. The Settlement Sum shall be held in an "Earnest Monies" estate 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, Trustee's counsel will transfer the Settlement Sum to the Trustee to be deposited into the Debtors' estate account. If the Bankruptcy Court

denies the entry of the Approval Order, Trustee's counsel will return the Settlement Sum to Defendant without undue delay.

5. If the Court does not enter the 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 Approval Order becoming final and non-appealable, and the Trustee's receipt and clearance of the Settlement Sum, the Trustee and the estate will cease further efforts to enforce the Judgment and file a satisfaction of Judgment on the docket of this Adversary Proceeding.

7. Upon the Approval Order becoming final and non-appealable, Defendant releases, discharges and waives any and all claims against the Debtor's estate, the Trustee and the Trustee's agents, attorneys, assigns and successors-in-interest from any and all claims, proofs of claim, claims for relief, demands, costs, expenses, damages, liabilities, and obligations of any nature.

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.

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
November 12, 2012

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: East Meadow, New York
December 6, 2012

Certilman Balin Adler & Hyman, LLP
Attorneys for LandTek Group, Inc.

By: s/ Richard J. McCord
Richard J. McCord
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554
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