Honorable Samuel J. Steiner 2 3 4 5 7 8 9 UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF WASHINGTON 10 AT SEATTLE 11 12 IN RE: 13 14 MICHAEL R. MASTRO, BANKRUPTCY NO. 09-16841 (Ch. 7) 15 Debtor. 16 17 JAMES F. RIGBY, JR., Trustee, solely in ADVERSARY CASE NO. 10-01134-SJS his capacity as Chapter 7 trustee of the 18 bankruptcy estate of Michael R. Mastro, STIPULATION IN SUPPORT 19 OF AGREED JUDGMENT Plaintiff, 20 21 \mathbf{v} . 22 THOMAS R. HAZELRIGG, III; SCOTT G. SWITZER and CHERI A. SWITZER, 23 husband and wife, and the marital 24 community composed thereof; CENTURION FINANCIAL GROUP, 25 LLC, a Washington limited liability company; JOHN MASTANDREA and 26

STIPULATION IN SUPPORT OF AGREED JUDGMENT - 1

Adversary Case No. 10-01134-SJS

ORIGINAL ZANZIG CLAFLIN MCEACHERN

1200 Fifth Ave., Suite 1414, Seattle, WA 98101 206.292.5900

JANE DOE MASTANDREA, husband and wife, and the marital community composed thereof; FOUNDATION MANAGEMENT, INC., a Washington corporation; and KEN SATO,

Defendants.

Plaintiff, James F. Rigby, Jr., solely in his capacity as Chapter 7 Trustee of the Bankruptcy Estate of Michael R. Mastro ("the Trustee"), and defendant, John Mastandrea ("Mastandrea"), hereby agree to entry of judgment against Mastandrea on the following terms:

- 1. Pursuant to an agreement dated June 24, 2009, a copy of which is Exhibit 12 to the complaint in this proceeding, Michael R. Mastro ("Mastro") purported to transfer or assign certain promissory notes and accounts receivable to Mastandrea.
- 2. Any transfer or assignment from Mastro to Mastandrea pursuant to the June 24, 2009 agreement is avoidable and shall be avoided in the agreed judgment.
- 3. All assets purported to be transferred or assigned from Mastro to Mastandrea pursuant to the June 24, 2009 agreement shall be re-vested in the estate of Michael R. Mastro.
- 4. Upon entry of the agreed judgment, Mastandrea shall provide the Trustee with all original documents Mastandrea possesses relating to the June 24, 2009 agreement, including, but not limited to, the original promissory notes, guaranties,

deeds of trust, and all other documents relating to the promissory notes and accounts receivable subject to the agreement.

- 5. Entry of the agreed judgment shall satisfy the Trustee's claims against Mastandrea based on the June 24, 2009 agreement, with the following exceptions and limitations:
 - a. Mastandrea represents and warrants that he has received no payments or other consideration in connection with the promissory notes and accounts receivable Mastro purported to transfer or assign to Mastandrea pursuant to the June 24, 2009 agreement, that Mastandrea has taken no action to compromise or forgive the debts owed in connection with such promissory notes and accounts receivable, and that Mastandrea has not transferred or assigned the promissory notes or accounts receivable to any third party. Entry of the agreed judgment shall be without prejudice to any claims the Trustee may bring against Mastandrea in this or any other proceeding based on any breach of Mastandrea's representations and warranties.
 - b. Entry of the agreed judgment shall be without prejudice to any other claims the Trustee has asserted or may assert against Mastandrea outside this adversary proceeding.
- 6. There will be no award of fees or costs against Mastandrea or the Trustee in connection with entry of the agreed judgment.

24

25

26