

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

WILLIAM KENT McGREGOR
Debtor,

CASE NO. 02-62834
Chapter 7

KATHLEEN ECKHARDT,
Plaintiff,

v.

Adv. No. 02-80198

WILLIAM KENT McGREGOR,
Defendant.

FILED
JAN 22 2003
OFFICE OF THE
BANKRUPTCY CLERK
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**STIPULATION OF SETTLEMENT OF ADVERSARY
PROCEEDING**

STIPULATION OF SETTLEMENT OF ADVERSARY PROCEEDING

(Stipulation) made this 31st day of December, 2002 by and between the plaintiff, Kathleen Eckhardt (plaintiff) represented by Whitelaw & Fangio, Mary Lannon Fangio, Esq. of counsel, and William Kent McGregor (debtor/defendant) represented by Martin, Martin & Woodard, LLC, Wendy A. Kinsella, Esq., and Louis Dettor, Esq., of counsel, collectively known as parties,

WHEREAS, on August 15, 1995 a judgment was entered in favor of plaintiff against debtor/defendant in the amount of One million dollars (\$1,000,000.00) in the First Judicial District Court, County of Santa Fe, State of New Mexico No. SF 90-574(c) (Original Judgment), set forth herein as Exhibit A, and

WHEREAS, on May 8, 2002 the debtor/defendant William Kent McGregor filed a voluntary Chapter 7 petition under Case No. 02-62834, which petition duly listed this indebtedness as being in the amount of \$ 1,000.00, and

WHEREAS, the plaintiff filed an adversary proceeding to deny discharge of the debt under Adv. No. 02-80198 pursuant to 11 U.S.C. § 523(a)(6), and

WHEREAS, the plaintiff also claimed in that adversary proceeding that debtor should be denied a bankruptcy discharge pursuant to 11 U.S.C. § 727(a)(4), and

WHEREAS, the adversary proceeding was duly served on the debtor/defendant, William Kent McGregor, and his then attorney of record, Russell S. Simonetta, Esq. by affidavit of service by mail dated August 5, 2002 and duly filed with the Court, and

WHEREAS, the debtor/defendant William McGregor engaged the firm of Martin, Martin & Woodard, LLC, Wendy Kinsella, Esq. and Louis Dettor, Esq, of counsel, and

WHEREAS, the debtor/defendant's time to answer and to otherwise respond to the complaint has been periodically extended by agreement of the parties' counsel and by Court Order, and

WHEREAS, the parties through their respective attorneys have conferred and agreed on this matter and agreed to settle the adversary proceeding subject to the approval of the United States Bankruptcy Court, Hon. Stephen D. Gerling, Chief Judge (Bankruptcy Court) on the following specified terms and conditions,

NOW, THEREFORE, THE PARTIES HEREIN DO HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. **DEBT NOT DISCHARGED IN THIS BANKRUPTCY PROCEEDING:** The debtor/defendant stipulates and agrees that the indebtedness set forth in the Original Judgment is not discharged under the Bankruptcy Code in this Chapter 7 bankruptcy proceeding pursuant to 11 U.S.C. § 523(a)(6). Kathleen Eckhardt, the plaintiff in this action and the plaintiff holding the Original Judgment, her successors, heirs and assigns are entitled to enforce this judgment including any interest, costs and fees that have accumulated on the Original Judgment from its date of entry less any payments ever previously made on said Original Judgment by any means

available to her by any applicable law or custom of whatever jurisdiction where said Original Judgment is capable of being enforced.

2. PLAINTIFF TO WITHDRAW THE CLAIM UNDER 11 U.S.C. § 727(a)(4).

Plaintiff shall withdraw her claim to deny the debtor/defendant his discharge under 11 U.S.C. § 727(a)(4) and shall receive nothing whatever in exchange for said withdrawal.

3. BINDING EFFECT: This Stipulation is binding on the parties, their heirs, successors and assigns.


4. COURT APPROVAL: The parties acknowledge that this Stipulation must be approved by the Bankruptcy Court. An application for approval in the form annexed hereto as Exhibit B shall be submitted to the Bankruptcy Court upon the execution of this Stipulation.

5. EXECUTION BY COUNTERPARTS: This Stipulation may be executed in counterparts with the originals taken together to constitute one agreement of the parties.

Dated: 12/31/02

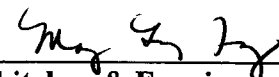
Dated: Dec 13, 2002

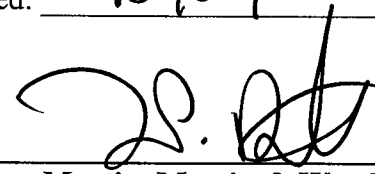

KATHLEEN ECKHARDT
Plaintiff


WILLIAM KENT MCGREGOR
Debtor/Defendant

Dated: 11/14/02

Dated: 12/20/02


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