

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
NEW HAVEN DIVISION

IN RE:

THE ROSEGARDEN HEALTH AND
REHABILITATION CENTER LLC, et al.,

Debtors¹

JON P. NEWTON, CHAPTER 7 TRUSTEE,

Plaintiff,

vs.

RAINTREE HEALTHCARE,

Defendant

CHAPTER 7

CASE NO. 18-30623

RE: ECF NO. 2031

(Jointly Administered)

Adversary Proceeding
No. 20-03016 (AMN)

Re: AP-ECF No. 62

ORDER GRANTING TRUSTEE'S MOTION TO COMPROMISE

Upon consideration of the Motion for Approval of Compromise (the “Motion”) filed by Jon P. Newton, the Chapter 7 trustee (the “Trustee”) for the jointly administered estates of The Rosegarden Health and Rehabilitation Center LLC and Bridgeport Health Care Center Inc. (“Bridgeport Health”), by and through his attorneys, Reid and Riege, P.C., pursuant to which Motion the Trustee seeks Bankruptcy Court approval to compromise the preference action against Raintree Healthcare, the defendant herein (the “Defendant”), after due notice and a hearing, and it appearing to the Court that just cause exists to grant the Motion, it is hereby:

ORDERED, that the Motion, ECF No. 2031 and AP-ECF No. 62 is GRANTED; and it is further

¹ The Debtors in these cases and the last four digits of each Debtor’s tax identification number are: The Rosegarden Health and Rehabilitation Center LLC (4423) and Bridgeport Health Care Center Inc. (6665).

ORDERED, that, pursuant to the Motion:

- (a) the Defendant shall pay to the Trustee the total amount of \$20,000.00, as follows:
\$10,000.00 immediately upon Court approval of the Motion, and the balance of \$10,000.00 in two (2) installments of \$5,000.00 each, with the first installment of \$5,000.00 due thirty (30) days from the Court's entry of this order, and the second installment of \$5,000.00 due sixty (60) days from the Court's entry of this order;
- (b) The parties' settlement only becomes effective upon the Trustee's receipt of the Defendant's initial payment of \$10,000.00, that is, if the Defendant fails to pay the initial installment of \$10,000.00 immediately upon Court approval, the parties' settlement shall become void and of no effect;
- (c) Upon the parties' settlement becoming effective, an event of default shall occur if the Defendant fails to timely pay the first or second installment of \$5,000.00 each, after written notice to the Defendant's counsel and a five (5) day cure period;
- (d) In the event of default, which shall be communicated to the Court by means of a notice filed with the Court by the Trustee, and upon notice to the Defendant's counsel, not only shall the Trustee retain the initial payment of \$10,000.00, but also a judgment shall enter against the Defendant in the amount of \$20,000.00, less any installment of \$5,000.00 paid;
- (e) The Defendant shall retain the general unsecured claim filed against Bridgeport Health, and the Trustee shall retain the right to object to such claim;

(f) The parties acknowledge that the settlement is a compromise of claims and that none of the parties admits, and each expressly denies, any liability on its part and the claims, defenses, and/or assertions of the other party; and it is further

ORDERED, That, the court retains jurisdiction to enforce any provisions of this Order and the settlement as set forth in the Motion; and it is further

ORDERED: That, upon entry of this Order, the Clerk of the Court may close this adversary proceeding.