

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

TO: James J. Waldron, Clerk CASE NO. 07-15195 (MS)
IN RE: Bayonne Medical Center

CHAPTER 11

INFORMATION FOR NOTICE OF SETTLEMENT OF CONTROVERSY

Allen D. Wilen, Liquidating Trustee for Bayonne Medical Center proposes to settle an action, the nature of which is described below.

If any creditors or other party in interest has an objection to the settlement, an objection and request for a hearing on such objection shall be in writing, served upon the person named below and filed with the Clerk of the United States Bankruptcy Court.

Such objection and request shall be filed with the Clerk and served upon the person named below no later than twenty days from the date of this notice.

In the event an objection is timely filed, a hearing thereon will be held on February 23, 2010 at 10:00 a.m.

If no objection is filed with the Clerk and served upon the person named below on or before twenty days from the date of this notice, the settlement will be consummated as proposed on or after twenty-five days from the date of this notice.

The nature of the action and the terms of the settlement are as follows:

NATURE OF ACTION	PERTINENT TERMS OF THE SETTLEMENT
<p>An adversary complaint (Adv. Pro. No. 09-1568) was filed against Avenue E Anesthesia Associates LLC, seeking to recover \$45,036.25 in alleged preferential transfers.</p> <p>Avenue E denies that the transfers are preferential and maintains that it has valid defenses to the complaint. Through counsel, Avenue E provided the Liquidating Trustee with an analysis supporting certain of its asserted defenses.</p>	<p>After arm's length negotiations, the Liquidating Trustee and Avenue E have agreed as follows:</p> <p>(1) The Liquidating Trustee will dismiss the complaint against Avenue E to avoid preferential transfers; and</p> <p>(2) Avenue E will withdraw with prejudice each and every claim or request for payment of administrative claim, if any, that was or could have been filed by or on behalf of Avenue E.</p> <p>(3) Avenue E is currently involved in litigation with IJKG, LLC and others. Nothing in the Settlement Agreement shall be deemed a waiver of any cause of action, right or claim that Avenue E has or may have in that litigation.</p> <p>The Liquidating Trustee believes that this settlement is in the best interest of the Estate, as it avoids the costs, uncertainty and delay associated with continued litigation.</p>

Request for additional information about the nature or the terms of the settlement should be directed to:

NAME: Valerie A. Hamilton, Counsel to Liquidating Trustee
 ADDRESS: Sills Cummis & Gross, 650 College Road East, Princeton, NJ 08540
 TELEPHONE NO: (609) 227-4600

SUBMITTED BY: /s/ Valerie A. Hamilton POSITION: Counsel to the Liquidating Trustee
 Valerie A. Hamilton, Esq.

FOR CLERK'S OFFICE USE ONLY

LINES 137-157
 TYPE OF TASK _____
 FORM # _____ STATEMENT _____

NJ LOCAL FORM 10



Form 161 – ntcSATLcon

UNITED STATES BANKRUPTCY COURT

District of New Jersey
MLK Jr Federal Building
50 Walnut Street
Newark, NJ 07102

Case No.: 07-15195-MS
Chapter: 11
Judge: Morris Stern

In Re: Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Bayonne Medical Center
29th Street & Avenue E
Bayonne, NJ 07002

Social Security No.:

Employer's Tax I.D. No.:
22-1487124

NOTICE OF PROPOSED SETTLEMENT OF CONTROVERSY

, Trustee in the above captioned case, proposes to settle an action, the nature of which is described below.

If any creditor or other party in interest has an objection to the settlement, the objection and a request for a hearing on such objection shall be in writing, served upon the person named below and filed with the Clerk of the United States Bankruptcy Court.

Such objection and request shall be filed with the Clerk and served upon the person named below no later than February 10, 2010.

In the event an objection is timely filed a hearing thereon will be held before the Honorable Morris Stern on:

DATE: 2/23/10
TIME: 11:00AM
COURTROOM: 3A

If no objection is filed with the Clerk and served upon the person named below on or before February 10, 2010, the settlement will be consummated as proposed on or after the fifth day following the last day to file objections.

The nature of the action and the terms of the settlement are as follows:

Nature of the Action:

An adversary complaint (Adv. Pro. No. 09-1568) was filed against Avenue E Anesthesia Associates LLC, seeking to recover \$45,036.25 in alleged preferential transfers.

Avenue E denies that the transfers are preferential and maintains that it has valid defenses to the complaint. Through counsel, Avenue E provided the Liquidating Trustee with an analysis supporting certain of its asserted defenses.

Terms of the Settlement:

After arms length negotiations, the Liquidating Trustee and Avenue E have agreed as follows:

(1) The Liquidating Trustee will dismiss the complaint against Avenue E to avoid preferential transfers; and

(2) Avenue E will withdraw with prejudice each and every claim or request for payment of administrative claim, if any, that was or could have been filed by or on behalf of Avenue E.

(3) Avenue E is currently involved in litigation with IJKG, LLC and others. Nothing in the Settlement Agreement shall be deemed a waiver of any cause of action, right or claim that Avenue E has or may have in that litigation.

The Liquidating Trustee believes that this settlement is in the best interest of the Estate, as it avoids the costs, uncertainty and delay associated with continued litigation.

Request for additional information about the nature or the terms of the settlement should be directed to:

NAME: Valerie A. Hamilton, Counsel to Liquidating Trustee
ADDRESS: Sills Cummis & Gross, 650 College Road East, Princeton, NJ 08540
TELEPHONE NO: (609) 227-4600
SUBMITTED BY: /s/ Valerie A. Hamilton POSITION: Counsel to the Liquidating Trustee
Valerie A. Hamilton, Esq.

Requests for information about the nature of the action or the terms of the settlement should be directed to the Trustee at:

or the trustee's attorney (if applicable) at:

Dated: January 22, 2010
JJW:

James J. Waldron
Clerk