

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA—ORLANDO DIVISION**

IN RE MARK V PICARAZZI Debtor	Chapter 7 Case No. 6:12-bk-03695-ABB
AMERICAN HONDA FINANCE CORPORATION Plaintiff, v. MARK V PICARAZZI Defendant.	 Adversary No. 6:13-ap-00042-ABB

CONSENT JUDGMENT AND ORDER

American Honda Finance Corporation (“AHFC”) and Mark V. Picarazzi (“Debtor”) hereby consent to the following:

WHEREAS, Debtor is a member and principal of V.M. Paolozi Imports, Inc., a New York corporation doing business as DealMaker at Drum Honda, a/k/a DealMaker Honda of Watertown, located at 18375 US 11, Watertown, New York 13601 (“Watertown”).

WHEREAS, Watertown is a franchised Honda dealer to which AHFC and Watertown entered into an Automobile Dealer Sales and Service Agreement (the “Sales and Service Agreement”) in September 2004. Debtor executed the Sales and Service Agreement on behalf of Watertown, signing such agreement as “Dealer Principal/Executive Manager,” as well as “VP/Secretary.”

WHEREAS, Debtor exercised direct control over the day-to-day operations of the Watertown and other dealerships, and was otherwise a controlling person with respect to Watertown until early 2008.

WHEREAS, on or around April 23, 2007, AHFC and Watertown entered into a Wholesale Finance Agreement (the "Watertown WFA"), that governed the grant of advances and extensions of credit by AHFC to Watertown, and set forth Watertown's obligations to AHFC.

WHEREAS, to induce AHFC to extend credit to Watertown, pursuant to the Watertown WFA, Debtor executed a Continuing Personal Guaranty of the obligations of Watertown under the Watertown WFA.

WHEREAS, Watertown has been in material default of its obligations to AHFC under the terms of the Watertown WFA, by, among other things, failing to pay loan balances when due.

WHEREAS, Watertown was contractually obligated to hold the proceeds of the sale of any unit of Inventory, up to the full amount of any advances made to finance the acquisition of the unit of Inventory, plus interest at an agreed upon rate, less an payment or credit, in trust for AHFC, and to pay over to AHFC said trust funds immediately upon the sale of the unit of Inventory. By their failures to pay over such trust funds to AHFC, Watertown is out of trust to AHFC.

WHEREAS, in or about February 19, 2010, AHFC commenced suit against Debtor, Watertown, another dealership and co-guarantor Philip J. Simao in the United States District Court for the Northern District of New York (Civil Action No. 7:10-CV-0155) (the "District Court Action") to recover on account of the AHFC obligations.

WHEREAS, judgment was entered in the District Court Action against Debtor and co-defendants on account of the AHFC obligations as they related to Watertown in the amount of \$2,120,493.09.

WHEREAS, on March 21, 2012 (the "Petition Date"), Debtor commenced the Bankruptcy Case by filing a voluntary petition for relief under Chapter 7 the Bankruptcy Code;

WHEREAS, on February 28, 2013, AHFC filed a complaint to request the non-dischargeability of the debts owed to AHFC by Debtor with regard to the Watertown and other dealerships (the "Complaint");

WHEREAS, on July 31, 2013, Debtor filed a motion for summary judgment on all counts contained in the Complaint (the "Summary Judgment Motion");

WHEREAS, on August 20, 2013, AHFC filed its response to the Summary Judgment Motion;

WHEREAS, on September 17, 2013, the Court held a hearing on Debtor's motion for summary judgment and denied same;

WHEREAS, at that hearing, Debtor agreed that he would consent that the debts indicated in the Complaint are non-dischargeable with regard to the Watertown dealership;

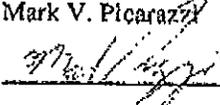
IT IS NOW THEREFORE, stipulated and agreed and ordered that:

1. The AHFC Obligations, as that term is defined in the Complaint, as they relate to Watertown are debts in the amount of \$2,120,493.09 which Debtor owes to AHFC and are non-dischargeable pursuant to Bankruptcy Code Section 523(a)(2).

2. The AHFC Obligations, as that term is defined in the Complaint, as they relate to Watertown are debts in the amount of \$2,120,493.09 which Debtor owes to AHFC and are non-dischargeable pursuant to Bankruptcy Code Sections 523(a)(4).

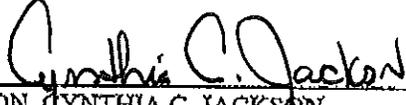
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Case No. 6:12-bk-03695-ABB
~~AHFC~~
Adversary No. 6:13-ap-00042-ABB
 3. ~~AHFC~~ Obligations, as that term is defined in the Complaint, as they relate to ~~AHFC~~ *dm*
 Watertown are debts in the amount of \$2,120,493.09, which Debtor owes to ~~AHFC~~ and are non-
 dischargeable pursuant to Bankruptcy Code Sections 523(a)(6).

Date: 12-16-13

Mark V. Picarazzi


American Honda Finance Corporation
 By *Laune Method*
 Its: *DFS Manager*

DONE and ORDERED in Orlando, Florida this 26 day of August, 2014



 HON. CYNTHIA C. JACKSON
 UNITED STATES BANKRUPTCY JUDGE

Attorney Armando P. Rubio is directed to serve a copy of this order on interested parties and file a proof of service within 3 days of entry of the order.