



SO ORDERED.

SIGNED this 30th day of March, 2016.

Catharine R Aron

UNITED STATES BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION**

In re:

**Basir Mateen Razzak, Sr., and
Jo Ann Duncan Razzak,**

Debtors.

Case No. 15-50375

ORDER

THIS CASE came before the Court on March 9, 2016 in Winston-Salem, North Carolina on a motion to approve settlement (the "Motion"). At the hearing, Phillip Bolton appeared on behalf of the female Debtor and Walter Tenney appeared on behalf of creditor Denesha Bell. The Court has reviewed the entire file, including the Motion, the proposed settlement, and the transcript of the 2004 examination of the female Debtor, and declines to approve the settlement.

The decision to approve a settlement is within the discretion of the Court. Generally, the Court should consider: (1) the probability of success in litigation; (2) any difficulties in collection; (3) the complexity of the litigation, including expenses, inconvenience, and delay; and (4) the interest of the creditors. *In re Lanier*, 383 B.R. 302, 307 (Bankr. E.D.N.C. 2008). Although the Bankruptcy Court need not hold a mini-trial to determine whether to approve a

settlement, the Court must make an informed decision. *See Terry v. Sparrow*, 328 B.R. 442, 447 (M.D.N.C. 2005) (explaining that a Bankruptcy Court must “assess and balance the value of the claim that is being comprised against the value to the estate of the acceptance of the compromise proposal” in reviewing a settlement agreement under Bankruptcy Rule 9019 (citations omitted) (quoting *Fuentes v. Stackhouse*, 182 B.R. 438, 440 (E.D. Va. 1995)).

The proposed settlement provides that the female Debtor will pay the sum of \$15,000 to Denesha Bell, and in exchange for said payment, Denesha Bell will withdraw her motion to dismiss the petition pursuant to 11 U.S.C. § 707(a). The Court is aware that the settlement is with the only unsecured creditor in this case, that the time period to object to the Debtors’ discharge has passed, that this is a no-asset case, and that the proposed payment would come from exempt funds of the female Debtor. The female Debtor has limited assets and income, such that she qualifies for public assistance. The male Debtor is in prison.

The Court could find no cases in which, under similar circumstances, a debtor has been found to have filed his or her petition in bad faith, and his or her case has been dismissed. A trial on the underlying §707(a) motion would likely be brief, and recovery, if any, would not be difficult to enforce. It is not in the interest of any creditors other than Denesha Bell to enforce the agreement. Thus, the Court cannot find that this settlement is fair and equitable, and the Motion must be denied.

NOW, THEREFORE, IT IS HEREBY ORDERED that the Motion is DENIED.

[END OF DOCUMENT]

SERVICE LIST

Basir M. Razzak, Sr.
Jo Ann D. Razzak
Debtors

Phillip Bolton
Attorney for Debtors

Walter Tenney
Attorney for Denesha Bell

C. Edwin Allman, III
Trustee

William Miller
US Bankruptcy Administrator