

EXHIBIT A
SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into as of this 2nd day of October, 2008, by and among debtors DG Liquidation Corp. f/k/a Diamond Glass, Inc. and DT Subsidiary Corp. (together, the "Debtors") and Kenneth Levine ("Levine," and together with the Debtors, the "Parties"), who, intending to be legally bound, hereby agree as follows:

WHEREAS, on April 1, 2008, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code ("Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Court");

WHEREAS, on June 30, 2008, Diamond Glass, Inc. changed its name to DG Liquidation Corp.;

WHEREAS, on July 16, 2008, the Court entered an order establishing September 8, 2008 at 4:00 p.m. as the general claims bar date in the Debtors' cases;

WHEREAS, on June 17, 2008, Levine filed proofs of claim nos. 138 and 139, asserting a secured claim of \$10,127,993.14 (plus interest, fees and costs) against each of the Debtors by virtue of being subrogated to the rights of Guggenheim Corporate Funding, LLC, as a secured creditor (the "Subrogation Claims");

WHEREAS, on September 3, 2008, Levine filed proofs of claim 631 and 635, amending proofs of claim 138 and 139 from the amount of \$10,127,993.14 to \$10,555,310.00 (plus interest and any additional fees and costs) (the "Amended Subrogation Claims");

WHEREAS, on September 3, 2008, Levine also filed proofs of claim 632, 633, 634 and 636, asserting unsecured claims against the Debtors (the "Other Claims") related to purported obligations of the Debtors unrelated to those claims asserted in the Subrogation Claims and the Amended Subrogation Claims;

WHEREAS, certain of the Debtors' creditors have asserted that the estates have various claims and defenses against Levine regarding the Subrogation Claims, as well as affirmative claims against Levine for damages relating to his role as a director, officer or stockholder of the Debtors (the "Damages Claims");

WHEREAS, Plainfield Special Situations Master Fund, Ltd. filed a complaint against Levine on September 5, 2008, seeking to recharacterize or subordinate the Subrogation Claims and reserving rights to bring Damages Claims (the "Plainfield Complaint");

WHEREAS, in order to settle and resolve the Subrogation Claims, the Amended Subrogation Claims and the Damages Claims, as well as the estates' claims asserted in the Plainfield Complaint, without the need for costly litigation with uncertain outcome, the Parties have agreed to settle them on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties hereby agree as follows:

1. The recitals set forth above are incorporated herein by reference.
2. The Amended Subrogation Claims are deemed withdrawn and the Subrogation Claims are deemed to be the operative proofs of claim concerning subrogation.
3. The Subrogation Claims are hereby reduced and allowed as a single secured claim against the Debtors in full and final satisfaction of the Subrogation Claims in the amount of the difference of \$8,127,993.14 minus Approval Fees (the "Allowed Secured Amount"). "Approval Fees" shall mean reasonable legal fees and expenses of Debtors' bankruptcy counsel commencing on September 22, 2008 and lasting until the entry of a final, non-appealable Court order approving this Agreement incurred in seeking or obtaining Court approval of this Agreement, including any appeals related thereto. To the extent that the filed

amount of the Subrogation Claims exceed the Allowed Secured Amount, the difference is disallowed with prejudice.

4. Upon Court approval of this Agreement, any security interest Levine asserts in any assets of the estate in excess of the Allowed Secured Amount, including but not limited to any claim that the cash being held by the Debtors or their estates constitutes cash collateral for the benefit of Levine, shall be irrevocably released.

5. The Debtors, on behalf of themselves and any and all representatives of their estates, and on behalf of anyone acting or asserting a claim derivatively on behalf of the estates (whether or not such person purports to be acting derivatively on behalf of the estates), hereby release, acquit and forever discharge Levine from any and all claims that the Debtors or their estates may hold against Levine, whether known or unknown, asserted or unasserted, contingent or unliquidated, including but not limited to allegations of recharacterization, equitable subordination, breach of fiduciary duty, deepening insolvency, fraudulent transfer, preference, aiding and abetting or other Damages Claims, provided, however, that the foregoing shall not release any claim of the Debtors or their estates related, in any way, to the Other Claims, including but not limited to counterclaims, cross claims, affirmative defenses or equitable or legal defenses.

6. Levine, on behalf of himself and anyone claiming by, through or on behalf of Levine, hereby releases, acquits and forever discharges the Debtors from any and all claims that he or anyone claiming by, through or on behalf of Levine may hold against the Debtors or their estates, whether known or unknown, asserted or unasserted, contingent or unliquidated, provided, however, that the forgoing shall not release any liability of the Debtors or their estates with respect to the claims asserted in the Other Claims.

7. Notwithstanding anything set forth to the contrary herein, the Debtors and their estates shall have the right to object to the Other Claims on any and all grounds and any claims of the Debtors or their estates against Levine related thereto are expressly preserved and unaffected by this Agreement.

8. The Debtors' counsel shall include, in their monthly requests filed with the Court, the Approval Fees. Upon the filing of the Debtors' counsel's monthly fee requests, Levine shall have twenty (20) days (the "Fee Objection Deadline") to contest the reasonableness of any Approval Fees included in such monthly fee request, following which time, Levine shall be deemed to have consented to the reasonableness of such Approval Fees. The right of Levine to object to the Approval Fees set forth herein shall not include the right to challenge the rates charged by the Debtors' counsel. If no objection is filed by Levine by the Fee Objection Deadline, the Debtors' counsel may file a certificate of no objection (a "CNO"). Levine shall remit payment for the full amount of the Approval Fees set forth therein to the Debtors' counsel whose application is subject to the CNO within ten (10) days of the (i) the filing of a CNO, and (ii) transmission of an invoice, with a copy of the CNO, to Levine by facsimile or electronic mail, with a copy of Levine's counsel.

9. The Allowed Secured Amount shall not be subject to reconsideration under section 502(j) of the Bankruptcy Code.

10. The Parties understand and acknowledge that this Agreement is subject to approval by the Court and shall use their best efforts to obtain the Court's approval of this Agreement.

11. Each Party represents that it owns and has not assigned or otherwise transferred to any other person or entity all such Party's rights and claims as are being altered or otherwise affected by this Agreement.

12. The Parties to this Agreement warrant that they have received independent legal advice from attorneys of their own choosing with respect to the advisability of executing this Agreement, and each Party's attorney reviewed this Agreement prior to its execution by each Party.

13. The Debtors and the individual executing this Agreement on behalf of the Debtors (subject to the approval of the Bankruptcy Court of this Agreement), and Levine, each represent and warrant that they have the authority to execute this Agreement and that when executed by the undersigned, the Debtors and Levine, respectively, will be bound hereunder.

14. Except as expressly stated in this Agreement, no Party is relying upon any statement, representation or promise of the other Party in executing this Agreement except as expressly stated herein.

15. This Agreement contains the entire agreement between the Parties and may only be amended in writing and executed by both parties hereto.

16. There are no other agreements or understandings between the Parties to this Agreement concerning the subject matter of hereof except as stated in the Agreement.

17. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing the document to be drafted.

18. This Agreement and all of its provisions shall be binding on and shall inure to the benefit of the parties and their respective successors, assigns, directors, officers, managers, executors and shareholders.

19. This Agreement shall be interpreted and construed in accordance with the provisions of the Bankruptcy Code and, where not inconsistent, the substantive laws of the State of Delaware, without regard to the Delaware's rules regarding conflict of laws. The Bankruptcy Court shall have jurisdiction over any and all disputes, controversies, claims or other matters arising under or otherwise relating to this Agreement.

20. This Agreement may be executed in one or more counterparts, including by facsimile or email, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties are executing this Agreement as of the day and year first written above.

FOR THE DEBTORS



Name: William J. Cogswell

Position: President, DG Liquidation Corp. and DT Subsidiary Corp.

FOR KENNETH LEVINE

Name: Kenneth Levine

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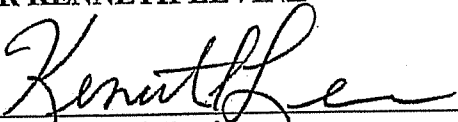
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Name: Kenneth Levine