SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS

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MICHAEL KHAHERA,

Petitioner, Index No.: 25272/12

-against-

MACMILLAN KHAHERA and 3114 STEINWAY INC., **STIPULATION OF SETTLEMENT**

Respondents.

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IT IS HEREBY STIPULATED AND AGREED BY AND BETWEEN Respondents Macmillan Khahera and 3114 Steinway Inc. ("Respondents") and Petitioner Michael Khahera ("Petitioner"), all parties to this action ("Parties"), as follows:

1. Respondents agree to jointly, severally and collectively pay Petitioner Two Hundred Twenty-Five Thousands Dollars ($225,000) (the "Settlement Payment").

2. The Settlement Payment shall be made no later than in the following installments: (a) $40,000 on or before July 1, 2014 ("Initial Payment"); (b) $3,125 on or before August 1, 2014; (c) $3,125 on or before September 1, 2014; (d) $3,125 on or before October 1, 2014; (e) $3,125 on or before November 1, 2014; (f) $35,000 on or before December 1, 2014; (g) $3,125 on or before January 1, 2015; (h) $3,125 on or before February 1, 2015; (i) $3,125 on or before March 1, 2015; (j) $3,125 on or before April 1, 2015; (k) $3,125 on or before May 1, 2015; (l) $3,125 on or before June 1, 2015; (m) $3,125 on or before July 1, 2015; (n) $3,125 on or before August 1, 2015; (o) $3,125 on or before September 1, 2015; (p) $3,125 on or before October 1, 2015; (q) $3,125 on or before November 1, 2015; (r) $3,125 on or before December 1, 2015; (s) $3,125 on or before January 1, 2016; (t) $3,125 on or before February 1, 2016; (u)

$3,125 on or before March 1, 2016; (v) $3,125 on or before April 1, 2016; (w) $3,125 on or before May 1, 2016; (x) $3,125 on or before June 1, 2016; (y) $3,125 on or before July 1, 2016; (z) $3,125 on or before August 1, 2016; (aa) $3,125 on or before September 1, 2016; (bb) $3,125 on or before October 1, 2016; (cc) $3,125 on or before November 1, 2016; (dd) $3,125 on or before December 1, 2016; (ee) $3,125 on or before January 1, 2017; (ff) $3,125 on or before February 1, 2017; (gg) $3,125 on or before March 1, 2017; (hh) $3,125 on or before April 1, 2017; (ii) $3,125 on or before May 1, 2017; (jj) $3,125 on or before June 1, 2017; (kk) $3,125 on or before July 1, 2017; (ll) $3,125 on or before August 1, 2017; (mm) $3,125 on or before September 1, 2017; (nn) $3,125 on or before October 1, 2017; (oo) $3,125 on or before November 1, 2017; (pp) $3,125 on or before December 1, 2017; (qq) $3,125 on or before January 1, 2018; (rr) $3,125 on or before February 1, 2018; (ss) $3,125 on or before March 1, 2018; (tt) $3,125 on or before April 1, 2018; (uu) $3,125 on or before May 1, 2018; (vv) $3,125 on or before June 1, 2018; (ww) $3,125 on or before July 1, 2018; and (xx) $3,125 on or before August 1, 2018.

3. Each installment of the Settlement Payment shall be made by certified check, money order or immediately available funds deposited at a TD Bank branch for credit to the following account:

TD Bank Account name: Graber PLLC Attorney Trust Account
Routing No.: 026013673
Account No.: 7928427264

4. Time shall be of the essence as to each installment of the Settlement Payment. Each installment of the Settlement Payment shall be deemed due and owing on or before the respective above-prescribed date and shall be made by Respondents without further demand or notice. In the event that any installment of the Settlement Payment is not made on or

before the respective above-prescribed date, Respondents shall have ten (10) days to cure ("Time to Cure") and make the said installment of the Settlement Payment without any further demand or notice or they shall be deemed in default under this Stipulation of Settlement ("Default").

5. Each and every installment of the Settlement Payment made after the respective above-prescribed date but prior to expiration of the Time to Cure shall require Petitioner to add five hundred dollars ($500) to the said installment of the Settlement Payment which the Parties agree constitutes a reasonable amount for attorneys' fees which will necessarily be incurred by Petitioner if any installment of the Settlement Payment is made after the respective above-prescribed date but prior to expiration of the Time to Cure. No installment of the Settlement Payment made after the respective above-prescribed date but prior to expiration of the Time to Cure shall be deemed paid in full unless said payment includes the additional five hundred dollars ($500) hereinbefore prescribed.

6. Petitioner or his Attorney shall notify Respondent, or Respondents' Attorney of any late installment of the Settlement Payment or other breach of this Stipulation of Settlement prior to availing himself of any and all remedies available under this Stipulation of Settlement or the law and Respondents shall have a minimum of ten (10) days to cure after service of said notice. Notice may be served upon Respondents or their attorney and by any of the following methods: (i) facsimile (if to Respondents attorney then to (347) 987-4395); (ii) mail, (iii) overnight delivery or (iv) personal service.

7. Petitioner shall be entitled to all reasonable attorneys' fees incurred by him in enforcing this Stipulation of Settlement, including but not limited to attorneys fees' incurred in collecting any installment of the Settlement Payment not made in full prior to expiration of the Time to Cure or in enforcing any other aspect of this Stipulation of Settlement.

8. Simultaneously with this Stipulation of Settlement, Respondents shall execute Affidavits of Confession of Judgment ("Confessions of Judgment") in the form annexed as Exhibit A, each in the amount of $400,000 without setoff or deduction of any kind, to be held by Petitioner's counsel. Petitioner may not file the Confessions of Judgment until complying with paragraph 6 above including awaiting the expiration of the Time to Cure. In the event of a Default, Petitioner may also further and/or separately opt to file an action against Respondents to enforce this Stipulation of Settlement. In the event that Petitioner file the Confessions of Judgment and/or files an action to enforce this Stipulation of Settlement, Respondents agree and waive any objection to the immediate appointment of a receiver and sale of their assets, including but not limited to the Wingstop Franchise located in Astoria, New York.

9. At Respondent's request, in the event that Petitioner files the Confessions of Judgment, Petitioner shall execute and deliver to Respondents a partial satisfaction of judgment equal to the amount of any installments of the Settlement Payment made by Respondents.

10. Within ten (10) business days following the complete execution of this Stipulation of Settlement and the receipt of the Initial Payment, counsel for petitioner shall deliver to counsel for respondents stipulations of dismissal with prejudice for this proceeding and the action entitled *Khahera v. 3114 Steinway Inc.* pending in this Court under index number 700096/2014 ("Related Action"). Pursuant to CPLR Rule 3217(d), counsel for Respondents shall file the respective stipulations with the Court. However, this Court shall have continuing jurisdiction for purposes of enforcing this Stipulation of Settlement.

11. This Stipulation of Settlement represents the complete understanding between the Parties with respect to the resolution of the above-captioned proceeding and the

Related Action, and fully supersedes any and all prior agreements or understandings between the Parties regarding the resolution of the above-captioned proceeding and the Related Action. The Parties each acknowledge that they have not relied on any representations, promises or agreements of any kind made to them in connection with their decision to sign this Stipulation of Settlement, except for those set forth in this Stipulation of Settlement. No other promises or agreements regarding the resolution of the above-captioned action shall be binding or shall modify this Stipulation of Settlement unless in writing and signed by the Parties, wherein specific reference is made to this Stipulation of Settlement.

12. Other than to the extent set forth in this Stipulation of Settlement and/or as otherwise may now or in the future be necessary and/or beneficial to enforce this Stipulation of Settlement and/or collect the Settlement Payment, including by way of alter ego, fraudulent transfer or other action or proceeding, Respondents do hereby release, remise and forever discharge Petitioner, his successors, joint-venturers, partners, family members, assigns, heirs, executors and/or administrators, of and from any and all manner of action and actions, cause and causes of action, suits, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which he/they ever had, now has or which his/their heirs, executors or administrators hereafter can, shall, or may have against, for, upon or by reason of, any matter, cause or thing whatsoever, from the beginning of the world to the day of the date of these presents limited to the subject matter of this proceeding and the Related Action. The Parties do not release any claims that may arise subsequent to the date of this Stipulation of Settlement or any claims not arising from the acts and/or omissions that were asserted or could have been asserted in the Litigation.

13. Other than to the extent set forth in this Stipulation of Settlement and/or as otherwise may now or in the future be necessary and/or beneficial to enforce this Stipulation of Settlement and/or collect the Settlement Payment, including by way of alter ego, fraudulent transfer or other action or proceeding, Petitioner does hereby release, remise and forever discharge Respondents, his/their successors, joint-venturers, partners, family members, assigns, heirs, executors and/or administrators, of and from any and all manner of action and actions, cause and causes of action, suits, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which he ever had, now has or which his heirs, executors or administrators hereafter can, shall, or may have against , for, upon or by reason of, any matter, cause or thing whatsoever, from the beginning of the world to the day of the date of these presents limited to the subject matter of this proceeding and the Related Action. The Parties do not release any claims that may arise subsequent to the date of this Stipulation of Settlement or any claims not arising from the acts and/or omissions that were asserted or could have been asserted in the Litigation.

14. Macmillan Khahera hereby warrants and represents that as of the date hereof he is the sole and undivided beneficial owner of a 7-Eleven franchise and store located at LAKE 550 PORTION ROAD RONKONKOMA N.Y. 11779 and that he individually, exclusively, completely and in his name, and not in any trust or restricted vehicle, owns and holds all shares, membership interest and/or other lawful ownership interest in (i) the said 7-Eleven franchise and store and/or (ii) any legal entity that can or does claim any ownership interest in the said 7-Eleven franchise and store. Macmillan Khahera agrees not to transfer his foregoing interest in the said 7-Eleven franchise and store at any time prior to fulfilling all of the terms of this Stipulation of Settlement, including payment in full of the Settlement Payment, without receiving full and fair

consideration therefor to be then be held in constructive trust pending fulfillment of all of the terms of this Stipulation of Settlement, including payment in full of the Settlement Payment.

15. This Stipulation of Settlement shall be governed and interpreted in accordance with the laws of the State of New York, without regard to its conflict of laws provisions. The parties agree to the continuing jurisdiction of the New York State Supreme Court, Queens County for purposes of enforcing this Stipulation of Settlement.

16. Should any provision of this Stipulation of Settlement be declared illegal or unenforceable by any court of competent jurisdiction, and such provision cannot be modified to be enforceable, such provision shall immediately become null and void leaving the remaining provisions of this Stipulation of Settlement in full force and effect.

17. Facsimile signatures on this Stipulation of Settlement are the equivalent of original signatures and this Stipulation of Settlement may be signed in multiple counterparts and each shall be deemed an original for all purposes.

6-16-14
Date

By: MACMILLAN KHAHERA
Macmillan Khahera, Individually

6-16-14
Date

By: 3114 STEINWAY INC.
Macmillan Khahera, President

6/5/2014
Date

By: MICHAEL KHAHERA
Michael Khahera, Individually

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS

----------X

MICHAEL KHAHERA,

Petitioner,

Index No.: 25272/12

-against-

MACMILLAN KHAHERA and 3114 STEINWAY INC.,

AFFIDAVIT OF CONFESSION OF JUDGMENT

Respondents.

----------X

STATE OF NEW YORK)
) ss.:
COUNTY OF Queens)

Macmillan Khahera, being duly sworn, deposes and says that he is a Respondent herein.

Respondent Macmillan Khahera hereby confesses judgment herein and authorizes entry thereof against him in the sum of Four Hundred Thousand Dollars ($400,000).

Respondent Macmillan Khahera resides at 550 Forham Rd. Lake Ronkonkoma, NY 11779 Respondent Macmillan Khahera authorizes entry of Judgment in Queens County, New York, if said residence address is not in New York State.

This confession of judgment is for a debt justly due to the Petitioner arising from the following facts:

In or about December of 2012, Petitioner commenced the instant proceeding against Respondents arising out of his ownership interest in 3114 Steinway Inc. and thereafter commenced a related action entitled *Khahera v. 3114 Steinway Inc.* pending in this Court under index number 700096/2014 for funds loaned by Petitioner to 3114 Steinway Inc. Respondents agreed to purchase Petitioner's ownership interest for fair value and satisfy and discharge any outstanding loans from Petitioner to 3114 Steinway Inc. To date, Petitioner has not been fully compensated for his ownership interest in and funds loaned to 3114 Steinway Inc. and $400,000 is due and owing.

This affidavit, if made in connection with an agreement for the purchase for $1,500.00 or less of any commodities for any use other than a commercial or business use upon any plan of deferred payments whereby the price or cost is payable in two or more installments, was executed subsequent to the time a default occurred in the payment of an installment thereunder.

Macmillan Khahera, Individually

Sworn to before me this
6th day of June, 2014

Notary Public
Patrick Mcguire
State of NY
Nassau County
Comm No ~~02MC6~~ 02MC6122544
Comm Exp 2/14/17

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF QUEENS

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MICHAEL KHAHERA,

Petitioner,

Index No.: 25272/12

-against-

MACMILLAN KHAHERA and 3114 STEINWAY INC.,

AFFIDAVIT OF CONFESSION OF JUDGMENT

Respondents.

----------X

STATE OF NEW YORK)
) ss.:
COUNTY OF Queens)

Macmillan Khahera, being duly sworn, deposes and says that he is the president of 3114 Steinway Inc., a Respondent herein.

Respondent 3114 Steinway Inc. hereby confesses judgment herein and authorizes entry thereof against it in the sum of Four Hundred Thousand Dollars ($400,000).

Respondent 3114 Steinway Inc.'s principal place of business is located at 3114 Steinway Street, Astoria, New York. Respondent 3114 Steinway Inc. authorizes entry of Judgment in Queens County, New York, if said residence address is not in New York State.

This confession of judgment is for a debt justly due to the Petitioner arising from the following facts:

In or about December of 2012, Petitioner commenced the instant proceeding against Respondents arising out of his ownership interest in 3114 Steinway Inc. and thereafter commenced a related action entitled *Khahera v. 3114 Steinway Inc.* pending in this Court under index number 700096/2014 for funds loaned by Petitioner to 3114 Steinway Inc. Respondents agreed to purchase Petitioner's ownership interest for fair value and satisfy and discharge any outstanding loans from Petitioner to 3114 Steinway Inc. To date, Petitioner has not been fully compensated for his ownership interest in and funds loaned to 3114 Steinway Inc. and $400,000 is due and owing.

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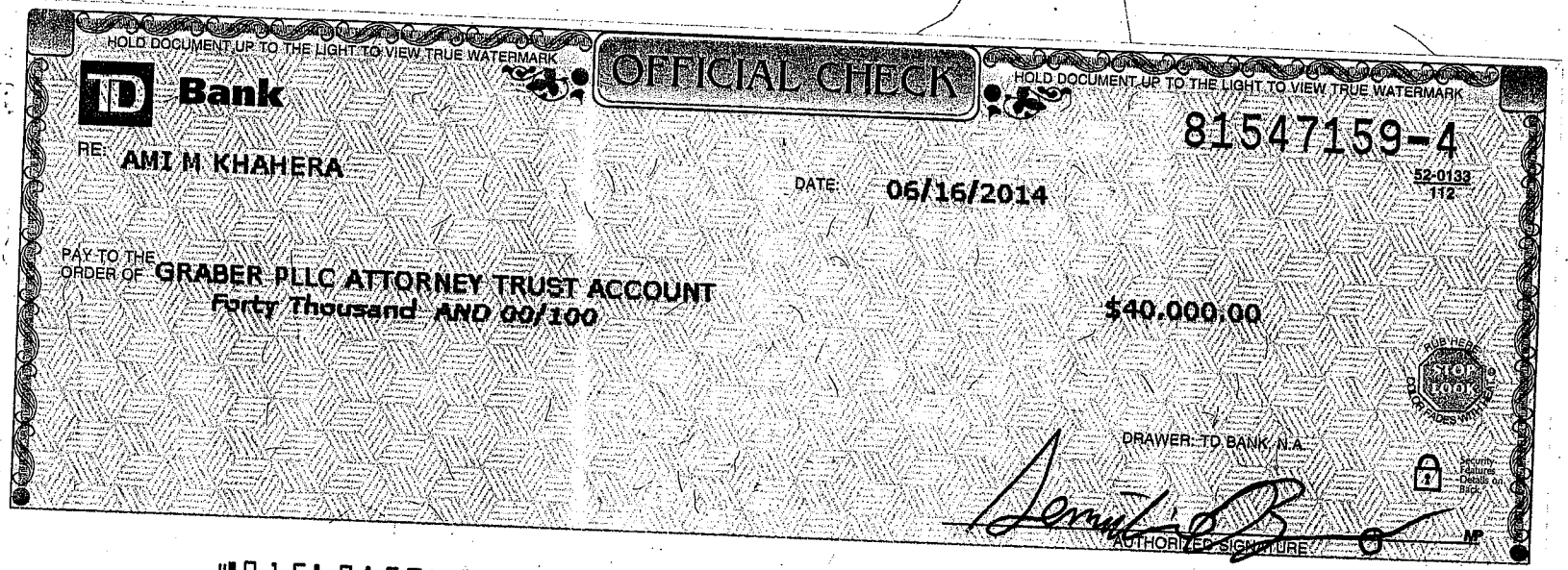
3114 STEINWAY INC.

By: _____
Macmillan Khahera, President

Sworn to before me this
6th day of June, 2014

_____
Notary Public
Patrick McGuire
State of NY
Nassau County
Comm No 02MC6122544
Comm Exp 2/14/17



HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

TD Bank

OFFICIAL CHECK

HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

81547159-4

52-0133
112

RE: AMI M KHAHERA

DATE: 06/16/2014

PAY TO THE ORDER OF GRABER PLLC ATTORNEY TRUST ACCOUNT

Forty Thousand AND 00/100

$40,000.00

DRAWER: TD BANK, N.A.

AUTHORIZED SIGNATURE

Security Features Details on Back

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