

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

WHEREAS, for purposes of this agreement, a "Gentlemen's Club" is an establishment that offers erotic dance performances by semi-nude dancers, and which may also be described as adult entertainment, stripping, and/or exotic dance; and

WHEREAS, Boardroom Entertainment MKE, LLC applied for a renewal of its "Class B" Tavern and Public Entertainment Premises licenses with transfer – change of agent and shareholder at 730 North Old World Third Street in Milwaukee, Wisconsin on November 6, 2014; said application was heard by the Licenses Committee on January 6, 2015 and was held; and

WHEREAS Boardroom Entertainment MKE, LLC filed a civil complaint with the United States District Court for the Eastern District of Wisconsin, Case No. 2:15-CV-53, alleging violations of their First Amendment right to present "protected erotic entertainment"; and

WHEREAS, Boardroom Entertainment MKE, LLC applied for renewal of its "Class B" Tavern and PEP licenses with a change of entertainment to add adult entertainment, strippers, erotic dancing, patrons dancing, and dancing by performers at 730 North Old World Third Street in Milwaukee, Wisconsin on August 13, 2015; and

WHEREAS, Boardroom Entertainment MKE LLC, applied for renewal of its "Class B" Tavern and PEP licenses with a change of agent and change of entertainment to add dancing by performers, comedy acts, 11 concerts, patrons dancing, jukebox and adult entertainment/strippers/erotic dancing at 730 North Old World Third Street in Milwaukee, Wisconsin on April 29, 2015; and

WHEREAS, both matters were heard by the Licenses Committee on September 17, 2015; the Licenses Committee recommended nonrenewal of the "Class B" Tavern and PEP licenses; the Common Council adopted this recommendation on October 13, 2015; and

WHEREAS Boardroom Entertainment MKE, LLC filed a civil complaint with the Milwaukee County Circuit Court, Case No. 15-CV-8812, alleging violations of Wisconsin Statutes Chapter 125 and various constitutional violations; and

WHEREAS, Mookie Exotic, LLC filed an application for "Class B" Tavern and PEP licenses on October 8, 2015 for a proposed Gentlemen's Club at 730 North Old World Third Street in Milwaukee, Wisconsin; said application was heard by the Licenses Committee on January 5, 2016 and denied by the Common Council on January 19, 2016; and

WHEREAS, Mookie Exotic, LLC filed a civil complaint with the United States District Court for the Eastern District of Wisconsin, Case No. 2:16-CV-286,

alleging violations of their First Amendment right to present “protected erotic entertainment”; and

WHEREAS, the parties wish to resolve this litigation without continued expense by amicably entering into this full and final settlement as to all claims Plaintiffs may have against Defendant; and

NOW, THEREFORE, in consideration of their mutual promises as set forth herein, and with their intention to be mutually and legally bound hereby, the Plaintiff Boardroom Entertainment MKE, LLC, Plaintiff Mookie Exotic, LLC, Dusanka Buzdum, Radomir Buzdum, and Boro Buzdum (collectively referred to as “Plaintiffs” and “Individual Signatories”) covenant and agree as follows:

1. The City agrees to hold a hearing in April 2017 to consider the “Class B” Tavern and Public Entertainment Premises (PEP) license applications filed by PPH Properties I LLC for a proposed Gentlemen’s Club at 730 North Old World Third Street in Milwaukee, Wisconsin;
2. If PPH Properties I LLC is granted the licenses referenced in Paragraph 1 by the Common Council, the Parties agree to file a stipulation of dismissal of the previously described lawsuits entitled *Boardroom Entertainment MKE LLC v. City of Milwaukee*, Case No. 2:15-cv-53, *Boardroom Entertainment MKE LLC v. City of Milwaukee*, Case No. 15-CV-8812, and *Mookie Exotic LLC v. City of Milwaukee*, Case No. 16-CV-

286 without prejudice within ten (10) days of the Common Council's action;

3. The stipulated dismissal shall be without costs to either party and without prejudice;
4. The stipulated dismissal is also predicated upon the understanding that the City will not enact legislation that substantially burdens the operation of such a Gentlemen's Club for a period of six (6) years from the date this Agreement is fully executed. The parties agree that public nudity and/or full nudity by performers continues to be lawfully prohibited by the City, and such prohibition does not substantially burden the operation of a Gentlemen's Club. Examples of legislation that substantially burden the operation of such a Gentlemen's Club include a regulation that designates a minimum room size in which erotic dancers are required to perform; requires erotic dancers to remain at a specific distance from patrons while performing; a regulation that requires erotic dancers to perform only on a stage; and/or a regulation that prohibits any touching (other than touching that is already prohibited by state law);

5. It is further understood that in the event that legislation described in Paragraph 4 is enacted within six (6) years from the date

of this Agreement, the lawsuit asserting the same as the claims and allegations as set forth in *Boardroom Entertainment MKE LLC v. City of Milwaukee*, 2:15-CV-53, *Boardroom Entertainment MKE LLC v. City of Milwaukee*, 15-CV-8812, and *Mookie Exotic LLC v. City of Milwaukee*, 2:16-cv-286, may be reinstated through the filing of a new action. It is further understood and agreed that if such a new lawsuit is filed, costs, including attorneys' fees, that were incurred during the original lawsuit will be deemed to have been incurred in the new lawsuit;

6. In the event the lawsuits described in paragraph 4 are reinstated or filed, the City agrees to waive and forego any defense based on the statute of limitations for a period of six (6) years from the date of this Agreement. It is understood that this waiver is a necessary component of this stipulation, without which the Plaintiffs would not agree to dismiss their case. It is also understood that this waiver is limited only to the circumstance described in Paragraph 4.

7. Except as provided in Paragraph 5 of this Agreement, Plaintiffs and Individual Signatories hereby terminate, waive and discharge any further claims, demands, or actions which they might assert or bring in the future or have brought to date, whether mature or not, currently actionable or not, and any suits, appeals, objections,

administrative actions and legal proceedings whatsoever against the City with respect to the City's licensing of Taverns and Public Entertainment Premises, and hereby release, discharge and acquit the City, its officers, board members, employees, agents and contractors, for any claims, causes of action, alleged injuries, or damages of any kind, character or nature whatsoever, which have been, could have been, or might be asserted against the City or any officer, employee, agent or contractor acting on its behalf, arising out of the Plaintiffs', Potential Plaintiffs', and Individual Signatories' previously proposed Gentlemen's Clubs or the City's licensing of Taverns and Public Entertainment Premises.

8. As part of this stipulation, the Plaintiffs agree that, in the event that the City grants "Class B Tavern" and PEP licenses to PPH Properties I LLC, allowing PPH Properties I LLC, to operate a Gentlemen's Club at 730 North Old World Third Street, in Milwaukee, Plaintiffs and Individual Signatories will not file applications to obtain "Class B" Tavern or PEP licenses for any new Gentlemen's Club in the City of Milwaukee in addition to those licenses granted pursuant to or prior to the execution of this Agreement.

9. This agreement is subject to approval by the Common Council of the City of Milwaukee. It shall be deemed null and void, and have no force or effect, nor shall it be admissible for any purpose, in the event it is not so approved.

10. Plaintiffs and Individual Signatories recognize and agree that if "Class B" Tavern and PEP licenses are granted to PPH Properties I LLC allowing it to operate an establishment offering adult entertainment/strippers/exotic dance, they are still bound by and subject to the rules and regulations as stated in Wisconsin Statutes Chapter 125, and Milwaukee Code of Ordinances Chapters 85, 90, 106 and 108.

11. Each party acknowledges that it has been represented throughout all negotiations leading up to this Agreement by attorneys of its choice and that its attorneys have approved this Agreement. Each party represents that in entering into this Agreement, the party has relied on its own judgment and on the advice of its attorneys, and that no statements or representations made by the other party or any of its agents, except statements or representations expressly made in this Agreement, have influenced or induced the party to sign this Agreement.

12. This Agreement states and constitutes the entire agreement of the parties concerning its subject matter and supersedes all prior or contemporaneous agreements (written or oral), representations, negotiations, and discussions concerning its subject matter, including but not limited to, all agreements (written or oral), representations, negotiations, and discussions made in the course of negotiation of the Case.
13. This Agreement shall not be filed with the Court in this Case or in any other case or proceeding, except for the sole purpose of enforcing this Agreement. This Agreement and any part of this Agreement shall not be admissible in any future judicial or administrative proceeding, except for the sole purpose of enforcing this Agreement.
14. This Agreement is the settlement of disputed claims. By entering into this Agreement, the City does not admit any liability to Plaintiffs for any of the claims asserted in the Case, and the concessions made under this Agreement shall not be construed as an admission of any such liability.
15. No waiver of any breach of this Agreement shall be deemed a continuing waiver of that breach or a waiver of any other breach of this Agreement.

16. This Agreement may not be amended, modified or altered in any manner whatsoever, except by a further written agreement duly authorized and signed by the parties.
17. Each person signing this Agreement on behalf of either party represents and warrants that the person holds the position indicated beneath the person's signature and that the person has the requisite corporate or other authority to sign this Agreement on behalf of the party. Each party represents that entry into this Agreement is not in contravention of any agreement or undertaking to which the party is bound.
18. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

Dated this 6th day of April, 2017.

Boardroom Entertainment MKE LLC and
Mookie Exotic LLC, Plaintiffs,

By

POLTROCK & GIAMPIETRO

Wayne B. Giampietro

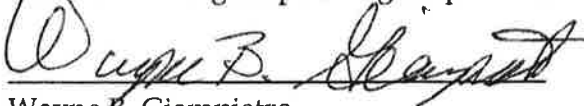
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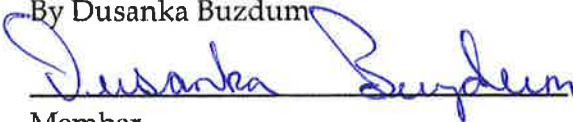


Wayne B. Giampietro

Dated this 7 day of April, 2017

Boardroom Entertainment MKE LLC

By Dusanka Buzdum



Member

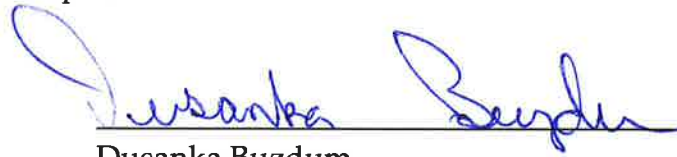
Dated this 7 day of April, 2017

Mookie Exotic, LLC
By Boro Buzdum




Member

Dated this 7 day of April, 2017



Dusanka Buzdum

Dated this 7 day of April, 2017



Radomir Buzdum

Dated this 7 day of April, 2017



Boro Buzdum

Dated this ____ day of April, 2017

The City of Milwaukee,
Defendant

By

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