

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA *ex rel.* DANIEL
FOSTER,

Plaintiff,

v.

TCC INTERNATIONAL LLC d/b/a CORE: CLUB;
CORE CLUB MEMBERS CORP; and CORE:
GRAVITY LLC,

Defendants.

23 Civ. 10084 (MKV)

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

TCC INTERNATIONAL LLC, CORE GRAVITY
LLC, and CORE CLUB MEMBERS CORP.,

Defendants.

STIPULATION AND ORDER OF SETTLEMENT AND DISMISSAL

WHEREAS, this Stipulation and Order of Settlement and Dismissal (“Stipulation”) is entered into by and among plaintiff the United States of America (the “United States” or “Government”), by its attorney, Jay Clayton, United States Attorney for the Southern District of New York, and on behalf of the United States Small Business Administration (the “SBA”); the relator Daniel Foster (“Relator”), by his authorized representatives; and defendants TCC

International LLC, Core Gravity LLC, and Core Club Members Corp. (collectively, “Defendants,” and together with the Government and Relator, the “Parties”), by their authorized representatives;

WHEREAS, TCC International LLC (“TCC International”) is a Delaware limited liability corporation that was responsible for payroll costs associated with The Core Club 55th Street LLC (“Core Club 55th”), a private Manhattan-based social club. At all times between April 2020 and April 2022 (the “Covered Period”), TCC International and Core Club 55th had operations at 66 E. 55th Street, New York, New York 10022;

WHEREAS, Core Club Members Corp. is a New York not-for-profit corporation that previously held Core Club 55th’s liquor license. During the Covered Period, Core Club Members Corp. had operations at 66 E. 55th Street, New York, New York 10022;

WHEREAS, Core Gravity LLC (“Core Gravity”) is a Delaware limited liability company that owns 100 percent of TCC International LLC. During the Covered Period, Core Gravity was located at 66 E. 55th Street, New York, New York 10022 and operated Core Club 55th;

WHEREAS, in or about October 2023, Core Club 55th moved to 711 Fifth Avenue, New York, New York 10022, and THE CORE CLUB: FIFTH AVE., INC., a New York not-for-profit corporation (“Core Club 711”), became the successor-in-interest to Core Club 55th, taking over the operations of Core Club 55th;

WHEREAS, there is currently litigation between several Core entities and Jennie Enterprise, who controls the Core entities, and the landlord of 711 Fifth Avenue, New York, New York 10022, captioned *Jennie Enterprise, et al. v. Michael Shvo, et al.*, No. 653221/2024 (N.Y. Supreme Ct. N.Y. Cty.), concerning, among other things, a lease agreement entered into by Core 5th Avenue LLC on or about July 28, 2021, for the premises located at 711 Fifth Avenue, New York, New York 10022 (“Landlord Litigation”);

WHEREAS, the Paycheck Protection Program (“PPP”) was established pursuant to the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, which was enacted in March 2020 and was designed to provide emergency financial assistance to millions of Americans suffering economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of forgivable loans to small businesses for employee payroll and certain other expenses through the PPP. SBA’s website contained information about the PPP’s rules (the “PPP Rules”), including eligibility criteria and reference to 13 C.F.R. § 120.110, which identified certain businesses that were ineligible for PPP loans. Among those businesses deemed ineligible for PPP funding were “[p]rivate clubs and businesses which limit the number of memberships for reasons other than capacity.” 13 C.F.R. § 120.110(i);

WHEREAS, to obtain a PPP loan, a qualifying business was required to submit a PPP loan application, which is signed by an authorized representative of the business. The loan application required the business—through its authorized representative—to acknowledge the PPP Rules and make certain affirmative certifications regarding its eligibility to obtain the PPP loan. Following the lender approvals of loan applications, the participating lenders funded the loans, which were 100 percent guaranteed by the SBA;

WHEREAS, the Restaurant Revitalization Fund (“RRF”) was established in March 2021 through the American Rescue Plan Act, to provide emergency assistance to qualifying restaurants and bars impacted by the COVID-19 pandemic. The RRF was administered by the SBA and allowed eligible entities funding equal to their pandemic-related loss, up to \$10 million per business and no more than \$5 million per physical location. The RRF grant application required the business, through its authorized representative, to acknowledge the RRF’s rules (the “RRF Rules”) and make certain affirmative certifications regarding its eligibility to obtain the RRF grant.

The RRF Rules identified certain businesses that were ineligible for funding, including not-for-profit entities and restaurants or bars where on-site sales to the public comprised less than 33 percent of gross receipts in 2019;

WHEREAS, on or about November 16, 2023, Relator filed a complaint under the *qui tam* provisions of the False Claims Act (“FCA”), 31 U.S.C. § 3729 *et seq.*, against TCC International LLC d/b/a Core Club, Core Club Members Corp., and Core: Gravity LLC, alleging, *inter alia*, that these entities violated the FCA by fraudulently obtaining PPP loans and an RRF grant by falsely certifying in their loan applications that they were eligible to receive these funds when, in fact, they were not (the “Relator Complaint”);

WHEREAS, the Government alleges that during the Covered Period, Defendants violated the FCA by knowingly presenting and making, or causing to be presented and made, false claims and statements in connection with their submission of PPP loan and forgiveness applications, and an application for an RRF grant. Specifically, the United States alleges that (a) Defendants TCC International and Core Gravity (collectively, the “PPP Defendants”) (i) falsely certified that they were eligible for two PPP loans despite the fact that the PPP Defendants intended to use the loans to operate a private club that limited membership for reasons other than capacity, and (ii) improperly sought forgiveness for the two PPP loans despite having been ineligible to receive those loans in the first instance; and (b) Core Club Members Corp. falsely certified its eligibility for an RRF grant despite being ineligible for this grant because (i) on-site sales of food and beverages to the public did not comprise at least 33 percent of its gross receipts in 2019, and (ii) it was a not-for-profit entity. The conduct described in this paragraph is the “Covered Conduct” for purposes of this Stipulation;

WHEREAS, on April 7, 2025, the Government filed a Notice of Election to Intervene in this matter and, contemporaneous with the filing of this Stipulation, is filing a Complaint-in-Intervention (“Government Complaint”), in which it is asserting claims against Defendants under the FCA and common law for the Covered Conduct;

WHEREAS, the Parties have, through this Stipulation, reached a mutually agreeable resolution addressing the claims asserted against Defendants in the Government Complaint and the Relator Complaint, for the Covered Conduct;

NOW, THEREFORE, upon the Parties’ agreement IT IS HEREBY ORDERED that:

TERMS AND CONDITIONS

1. The Parties agree that this Court has subject matter jurisdiction over this action and consent to this Court’s exercise of personal jurisdiction over each of them.
2. Defendants admit, acknowledge, and accept responsibility for the following conduct:
 - a. Core Club 55th was a private, invitation-only members club based in New York City that included, among other things, a restaurant, bar, theater, gym, and library accessible only to fee-paying members and their guests.
 - b. On October 1, 2023, Core Club 711 became the successor-in-interest to Core Club 55th at its current location at 711 Fifth Avenue, New York, New York 10022.
 - c. Core Gravity LLC, a Delaware limited liability company, owns 100 percent of TCC International LLC, a Delaware limited liability company that was responsible for payroll for the employees of Core Club 55th and now for Core Club 711.
 - d. On April 20, 2020, TCC International LLC d/b/a Core Gravity submitted, through its authorized representative, Jennie Enterprise (“Authorized Representative”), an application to a financial institution for a first-draw PPP loan in the amount of \$960,400 and received a PPP loan for the requested amount that same day. On October 6, 2021, Core Gravity, through its Authorized Representative, applied for and, on October 29, 2021, received partial forgiveness for the loan, in the amount of \$446,223.55.

Between October 2021 and August 2022, Core Gravity repaid the remaining \$514,176.45.

- e. On March 31, 2021, TCC International LLC d/b/a The Core Club submitted, through its Authorized Representative, an application to a financial institution for a second-draw PPP loan in the amount of \$1,344,675.50 and received a PPP loan for the requested amount that same day. On March 25, 2022, TCC International, through its Authorized Representative, applied for and, on April 1, 2022, received full forgiveness for the loan.
- f. In both PPP loan applications, the Authorized Representative for TCC International LLC d/b/a Core Gravity and TCC International LLC d/b/a The Core Club certified, among other things, that the applicants were eligible for PPP funding, that the funds would be used in accordance with the PPP Rules, and that the information provided in the applications was true in all material respects. In the PPP loan forgiveness applications, the Authorized Representative for Core Gravity and TCC International certified, among other things, that the funds as to which forgiveness was requested were used to pay business costs that were eligible for forgiveness, and that the information provided in the applications and supporting documents was true and correct in all material respects.
- g. However, TCC International and Core Gravity were ineligible for their PPP loans because they intended to, and did, use the funds to fund payment of employees who provided services to Core Club 55th, which was a members-only club that was ineligible for PPP funds pursuant to 13 C.F.R. § 120.110(i). Accordingly, TCC International and Core Gravity (1) misrepresented in their PPP applications that they were eligible for PPP loans when, in fact, they were not; and (2) falsely certified in their loan forgiveness applications that the funds were used to pay eligible business expenses and that the information provided in their loan applications was true and correct in all material respects.
- h. On May 6, 2021, Core Club Members Corp. submitted an application to the SBA to obtain a grant in the amount of \$2,303,687.00 through the RRF. In that application, Jennie Enterprise, Core Club Members Corp.'s authorized representative, certified, among other things, that Core Club Members Corp. was eligible for funding, that the funds would be used in accordance with the RRF Rules, and that the information provided in the application was true in all material respects.
- i. However, Core Club Members Corp. was not eligible for its RRF grant; specifically, both because it was a not-for-profit company, and because it did not serve food and drink to the public.

* * *

- j. As a result of the above-referenced conduct, TCC International and Core Gravity improperly received \$2,305,075.50 in PPP loans (of which they have repaid \$514,176.45 reflecting the unforgiven amount on the first-draw loan), and Core Club Members Corp improperly received \$2,303,687.00 in an RRF grant.

3. Defendants shall execute and agree to the entry of a consent judgment in favor of the Government and against Defendants in the amount of \$8,189,172.10, a copy of which is attached hereto as Exhibit A (the “Consent Judgment”). The Government may use the Consent Judgment to obtain a security interest in any asset or property of Defendants but shall not engage in other collection activity with respect to the Consent Judgment so long as Defendants fully comply with the terms of this Stipulation. Pursuant to this Stipulation, Defendants, by and through Core Club 711, the successor-in-interest to Core Club 55th, agrees to pay and the Government agrees to accept \$360,000 in full satisfaction of the Consent Judgment (the “Settlement Amount”). Defendants, by and through Core Club 711, shall pay to the Government the Settlement Amount in installments as set forth below. Defendants, by and through Core Club 711, shall make the below-referenced payments in accordance with instructions to be provided by the Financial Litigation Unit of the United States Attorney’s Office for the Southern District of New York. Of the Settlement Amount, \$360,000 constitutes restitution to the United States. Defendants and Core Club 711 agree that they shall not seek indemnification from any source with respect to any portion of the Settlement Amount. Jennie Enterprise, the Authorized Representative who signed the PPP Defendants’ PPP loan applications and loan forgiveness applications, and Core Club Members Corp.’s RRF grant application, has executed a Guaranty Agreement with the United States, personally guaranteeing the Settlement Amount of \$360,000, a copy of which is attached hereto as Exhibit B.

- a. Within fourteen (14) business days of the Effective Date (defined below in Paragraph 29), Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- b. On or before 6 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- c. On or before 12 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- d. On or before 18 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- e. On or before 24 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- f. On or before 30 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- g. On or before 36 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- h. On or before 42 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- i. On or before 48 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- j. On or before 54 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.
- k. On or before 60 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.

1. On or before 66 months from the Effective Date, Defendants, by and through Core Club 711, shall pay the Government the sum of \$30,000.

In the event that the Landlord Litigation resolves through any means, including settlement, mediation, binding arbitration, court order, trial, or otherwise (the “Resolution”), Core Club 711 shall provide the United States with notice, consistent with the schedule set forth in Paragraph 3(a)–(l) above, of the amount of rent due for the premises at 711 Fifth Avenue, New York, New York 10022 (the “Leased Premises”) for each month of that period, and the amount of rent actually paid for each month of that period. Such notice and payments (if any) shall be provided from the Resolution of the Landlord Litigation through the termination of this Stipulation in accordance with Paragraph 4 below. If the Resolution is in plaintiffs’ favor such that the rent required in any given month (“New Rent”) is less than the current monthly rent of \$494,815.00, 50 percent of the difference between the New Rent and the Current Rent (the “Windfall”) shall be due to the United States, except as specified in the next paragraph. Such additional amount, if any, shall be payable at the same time the applicable payments are made in the schedule set forth in Paragraph 3(a)–(l) above. Additionally, to the extent that plaintiffs in the Landlord Litigation are awarded a lump sum reflecting any overages for past rent, 50 percent of that amount shall be due to the United States, up to the full amount of the Consent Judgment reflected in Exhibit A.

If, as part of a Resolution, the landlord offsets the rent in any given month by a particular amount for the sole and specified purpose of repairing alleged infrastructure-related construction deficiencies at the Leased Premises (a “Repair Offset”), that particular month’s Repair Offset shall be excluded from the Windfall calculation. In this case and in accordance with the schedule set forth in Paragraph 3(a)–(l) above, Jennie Enterprise—a plaintiff in the Landlord Litigation and a signatory to this Agreement—shall provide a list of the alleged infrastructure-related construction

deficiencies to be remedied through the Repair Offset, along with a reconciliation reflecting all invoices and payments in connection with repair of said deficiencies, to the Government in the manner set forth in Paragraph 28 below. If, upon the Government's review of the provided materials, the Government determines that plaintiffs in the Landlord Litigation did not use the funds from the Repair Offset to repair of the enumerated infrastructure-related deficiencies ("Unused Repair Offset Funds"), Defendants shall be in default of this Stipulation and the Government may take any of the actions set forth in Paragraph 11. Further, any Unused Repair Offset Funds shall be included in the Windfall calculation, and 90 percent of the difference between the Current Rent and New Rent, inclusive of the Unused Repair Offset Funds, shall be due to the United States.

4. Should Defendants comply fully with the payment schedule set forth above as well as the other terms of this Stipulation, the Consent Judgment shall be deemed to be satisfied in full and, upon Defendants' request, the Government shall file with the Clerk of the Court and deliver to Defendants a Full Satisfaction of Judgment. In the event that Defendants, by and through Core Club 711, fully pay the Settlement Amount faster than as provided in the payment schedule set forth in Paragraph 3 above, and fully comply with all other terms of the Stipulation, the Consent Judgment shall be deemed to be satisfied in full and, upon Defendants' request, the Government shall file with the Clerk of the Court and deliver to Defendants a Full Satisfaction of Judgment. Should Defendants fail to comply fully with the payment schedule set forth in Paragraph 3 above or any other term of this Stipulation, Defendants shall be in default of this Stipulation, in which case the Government may take any of the actions set forth in Paragraph 11 below.

5. Defendants agree to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Stipulation. Upon reasonable notice,

Defendants shall encourage, and agree not to impair, the cooperation of their directors, officers, and employees, and shall use their best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Defendants further agree to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in their possession, custody, or control concerning any investigation of the Covered Conduct that they have undertaken, or that has been performed by another on their behalf.

6. Subject to the exceptions in Paragraph 10 (concerning reserved claims) below and subject to Paragraph 11 (concerning default), Paragraph 15 (concerning bankruptcy proceedings), and Paragraph 16 (concerning disclosure of financial information) below, and conditioned on Defendants' full compliance with the terms of this Stipulation, including full payment of the Settlement Amount to the United States pursuant to Paragraph 3 above, the United States releases Defendants, including their subsidiaries and corporate predecessors, successors and assigns, from any civil or administrative monetary claim that the United States has for the Covered Conduct under the FCA, the Civil Monetary Penalties Law, the Program Fraud Civil Remedies Act, 31 U.S.C. § 3801–12, and the common law theories of fraud, payment by mistake, and unjust enrichment. For avoidance of doubt, this Stipulation does not release any current or former officer, director, employee, or agent of Defendants from liability of any kind.

7. Defendants fully and finally release the United States, its agencies, officers, employees, servants, and agents from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, employees, servants, or

agents related to the Covered Conduct or the United States' investigation, prosecution and settlement thereof.

8. Subject to the exceptions in Paragraph 10 (concerning reserved claims) below and subject to Paragraph 11 (concerning default), Paragraph 15 (concerning bankruptcy proceedings), and Paragraph 16 (concerning disclosure of financial information) below, and conditioned on Defendants' full compliance with the terms of this Stipulation, including full payment of the Settlement Amount to the United States pursuant to Paragraph 3 above, Relator, for himself and his heirs, successors, attorneys, agents, and assigns, releases Defendants, including their subsidiaries and corporate predecessors, successors and assigns, as well as all of their current and former officers, directors, employees, attorneys, and other agents, from any and all manner of claims, proceedings, liens, and causes of action of any kind or description that Relator has against Defendants related to or arising from the Relator Complaint; provided, however, that nothing in this Stipulation shall preclude Relator from seeking to recover his reasonable expenses and attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d).

9. In consideration of the execution of this Stipulation by Relator and the Relator's release as set forth in Paragraph 8 above, Defendants, including their subsidiaries, corporate predecessors, successors and assigns, as well as all of their current and former officers, directors, employees, attorneys, and other agents, release Relator and his heirs, successors, attorneys, agents, and assigns, from any and all manner of claims, proceedings, liens, and causes of action of any kind or description that Defendants have against Relator related to or arising from the Relator Complaint.

10. Notwithstanding the releases given in Paragraph 6 above, or any other term of this Stipulation, the following claims of the Government are specifically reserved and are not released by this Stipulation:

- a. any liability arising under Title 26, United States Code (Internal Revenue Code);
- b. any criminal liability;
- c. except as explicitly stated in this Stipulation, any administrative liability or enforcement right, including but not limited to the suspension or debarment rights of any federal agency;
- d. any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. any liability based upon obligations created by this Stipulation; and
- f. any liability of individuals.

11. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct, due solely to Defendants' financial condition as reflected in the Financial Disclosures referenced in Paragraph 16 below. Defendants shall be in default of this Stipulation if Defendants fail to pay the Settlement Amount as provided in the payment schedule set forth in Paragraph 3 above or if they fail to comply materially with any other term of this Stipulation that applies to them ("Default"). The Government will provide a written Notice of Default to Defendants of any Default in the manner set forth in Paragraph 28 below. Defendants shall then have an opportunity to cure the Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under the Stipulation up

to the date of payment. If Defendants fail to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule (“Uncured Default”), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12 percent per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance). In the event of an Uncured Default, the United States may initiate a collection action or take any other action with respect to the unpaid portion of the amount specified in the Consent Judgment attached hereto as Exhibit A. Defendants also agree that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Stipulation, and reinstate the claims asserted against Defendants in the Government Complaint or bring any civil and/or administrative claim, action, or proceeding against Defendants for the claims that would otherwise be covered by the releases provided in Paragraph 6 above, with any recovery reduced by the amount of any payments previously made by Defendants to the United States under this Stipulation; (ii) take any action to enforce this Stipulation in a new action or by reinstating the Government Complaint; (iii) offset the remaining unpaid balance from any amounts due and owing to Defendants and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Stipulation, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Defendants agree immediately to pay the United States the greater of (i) a ten percent (10%) surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States’ reasonable attorneys’ fees and expenses incurred

in such an action. In the event that the United States opts to rescind this Stipulation pursuant to this paragraph, Defendants waive and agree not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that (i) are filed by the United States against Defendants within 120 days of written notification that this Stipulation has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on November 16, 2023. Defendants agree not to contest any offset, recoupment, and/or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

12. Defendants, having truthfully admitted to conduct set forth in Paragraph 2 hereof (the “Admitted Conduct”), agree that they shall not, through their attorneys, agents, officers, or employees, make any public statement, including but not limited to, any statement in a press release, social media forum, or website, that contradicts or is inconsistent with the Admitted Conduct or suggests that the Admitted Conduct is not wrongful (a “Contradictory Statement”). Any Contradictory Statement by Defendants, their attorneys, agents, officers, or employees, shall constitute a violation of this Stipulation, thereby authorizing the Government to pursue any of the remedies set forth in Paragraph 11 hereof, or seek other appropriate relief from the Court. Before pursuing any remedy, the Government shall notify Defendants that it has determined that Defendants have made a Contradictory Statement. Upon receiving notice from the Government, Defendants may cure the violation by repudiating the Contradictory Statement in a press release or other public statement within four business days. If Defendants learn of a potential Contradictory Statement by their attorneys, agents, officers, or employees, Defendants must notify the Government of the statement within 24 hours. The decision as to whether any statement

constitutes a Contradictory Statement or will be imputed to Defendants for the purpose of this Stipulation, or whether Defendants adequately repudiated a Contradictory Statement to cure a violation of this Stipulation, shall be within the sole discretion of the Government. Consistent with this provision, Defendants may raise defenses and/or assert affirmative claims or defenses in any proceeding brought by private and/or public parties, so long as doing so would not contradict or be inconsistent with the Admitted Conduct.

13. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Stipulation; Relator agrees and confirms that the terms of this Stipulation are fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B).

14. Defendants waive and shall not assert any defenses Defendants may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Stipulation bars a remedy sought in such criminal prosecution or administrative action.

15. In exchange for valuable consideration provided in this Stipulation, Defendants acknowledge the following:

- a. Defendants have reviewed their financial situation and warrant that they are solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following payment to the United States of the Settlement Amount.
- b. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a

contemporaneous exchange for new value given to Defendants, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

- c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.
- d. The Parties do not intend to hinder, delay, or defraud any entity to which Defendants were or became indebted on or after the date of any transfer contemplated in this Stipulation, within the meaning of 11 U.S.C. § 548(a)(1).
- e. If Defendants' obligations under this Stipulation are avoided for any reason (including but not limited to through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Settlement Amount is paid in full, Defendants or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Defendants' debts, or to adjudicate Defendants as bankrupt or insolvent, or seeking appointment of a receiver, trustee, custodian, or other similar official for Defendants or for all or any substantial part of Defendants' assets:
 - (1) the United States may rescind the releases in this Stipulation and bring any civil and/or administrative claim, action, or proceeding against Defendants for the claims that would otherwise be covered by the releases provided in Paragraph 6 above;

- (2) the United States has an undisputed, noncontingent, and liquidated allowed claim against Defendants in the amount of \$8,189,172.10, less any payments received pursuant to the Stipulation, provided, however, that such payments are not otherwise avoided and recovered from the United States by Defendants, a receiver, trustee, custodian, or other similar official for Defendants; and
 - (3) if any payments are avoided and recovered by Defendants, a receiver, trustee, custodian, or similar official for Defendants, Relator shall, within thirty days of written notice from the United States to the undersigned Relator's counsel, return any portions of such payments already paid by the United States to Relator.
- f. Defendants agree that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 15(e) above is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Defendants shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Defendants waive and shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within 120 days of written notification to Defendants that the

releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on November 16, 2023.

16. Defendants have provided sworn financial disclosures and supporting documents (“Financial Disclosures”) to the United States and the United States has relied on the accuracy and completeness of those Financial Disclosures in reaching this Stipulation. Defendants warrant that the Financial Disclosures are complete, accurate, and current. If the United States learns of assets in which Defendants had an interest at the time of the execution of this Stipulation that were not disclosed in the Financial Disclosures, or if the United States learns of any false statement or misrepresentation by Defendants on, or in connection with, the Financial Disclosures, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth of Defendants as reflected in the Financial Disclosures by \$18,000 or more, the United States may at its option: (a) rescind this Stipulation and reinstate its lawsuit based on the Covered Conduct, or (b) let the Stipulation stand and collect the full Settlement Amount plus one hundred percent (100%) of the net value of Defendants’ previously undisclosed assets. Defendants agree not to contest any collection action undertaken by the United States pursuant to this provision, and agree that they will immediately pay the United States the greater of (i) a ten percent (10%) surcharge of the amount collected in the collection action, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States’ reasonable attorneys’ fees and expenses incurred in such an action. In the event that the United States pursuant to this paragraph rescinds this Stipulation, Defendants waive and agree not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within 120 calendar days of written notification to Defendants that this Stipulation has been

rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on November 16, 2023.

17. Defendants agree to the following:

- a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of Defendants and their present or former officers, directors, employees, shareholders, and agents in connection with: (i) the matters covered by this Stipulation; (ii) the United States' audit(s) and civil investigation(s) of the matters covered by this Stipulation; (iii) Defendants' investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Stipulation (including attorney's fees); (iv) the negotiation and performance of this Stipulation; (v) the payment Defendants make to the United States pursuant to this Agreement and any payments that Defendants may make to Relator, including costs and attorneys' fees, are unallowable costs for government contracting purposes (hereinafter referred to as "Unallowable Costs").
- b. Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by Defendants, and Defendants shall not charge such Unallowable Costs directly or indirectly to any contract with the United States.
- c. Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 days of the Effective Date of this Stipulation, Defendants shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable

Costs included in payments previously sought by Defendants or any of their subsidiaries or affiliates from the United States. Defendants agree that the United States, at a minimum, shall be entitled to recoup from Defendants any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously submitted requests for payment. The United States, including the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine Defendants' books and records and to disagree with any calculations submitted by Defendants or any of their subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Defendants, or the effect of any such Unallowable Costs on the amount of such payments.

18. This Stipulation is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity except as otherwise provided herein.

19. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Stipulation; provided, however, nothing in this Stipulation shall preclude Relator from seeking to recover his expenses or attorneys' fees and costs from Defendants, pursuant to 31 U.S.C. § 3730(d).

20. Any failure by the Government to insist upon the full or material performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and the Government, notwithstanding that failure, shall have the right thereafter to insist upon the full or material performance of any and all of the provisions of this Stipulation.

21. This Stipulation is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Stipulation is the United States District Court for the Southern District of New York.

22. For purposes of construing this Stipulation, this Stipulation shall be deemed to have been drafted by all Parties to this Stipulation and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

23. This Stipulation constitutes the complete agreement between the Parties with respect to the subject matter hereof. This Stipulation may not be amended except by written consent of the Parties. No prior agreements, oral representations or statements shall be considered part of this Stipulation.

24. The undersigned counsel and other signatories represent and warrant that they are fully authorized to execute this Stipulation on behalf of the persons and the entities indicated below.

25. This Stipulation is binding on Defendants' successors, transferees, heirs, and assigns.

26. This Stipulation is binding on Relator's successors, transferees, heirs, and assigns.

27. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Stipulation. E-mails that attach signatures in PDF form or facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Stipulation.

28. Any notice pursuant to this Stipulation shall be in writing and shall, unless expressly provided otherwise herein, be delivered by hand, express courier, or e-mail transmission followed by postage-prepaid mail, and shall be addressed as follows:

TO THE UNITED STATES:

Jessica Rosenbaum
Assistant United States Attorney
United States Attorney's Office
Southern District of New York
86 Chambers Street, Third Floor
New York, New York 10007
jessica.rosenbaum@usdoj.gov

TO DEFENDANTS:

Louis A. Pellegrino, Esq.
Dentons US LLP
1221 Avenue of the Americas
New York, New York 10020
louis.pellegrino@dentons.com

TO RELATOR:

Rolando G. Marquez
Kirk Chapman Law LLC
415 E. 37th Street, #29K
New York, New York 10016
rolandomarquez@aol.com

Zahra S. Karinshak
Krevolin & Horst, LLC
1201 W. Peachtree Street, N.W.
Suite 3250, One Atlantic Center
Atlanta, Georgia 30309
karinshak@khlawfirm.com


29. The effective date of this Stipulation is the date upon which the Stipulation is approved by the Court (the "Effective Date").

Agreed to by:

THE UNITED STATES OF AMERICA

Dated: New York, New York
August 7, 2025


JAY CLAYTON
United States Attorney for the
Southern District of New York

By: 
JESSICA F. ROSENBAUM
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Tel.: (212) 637-2777
jessica.rosenbaum@usdoj.gov
Attorney for the United States of America

RELATOR

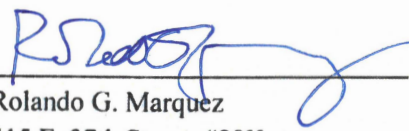
Dated: August 8, 2025

DANIEL FOSTER

By: 
Daniel Foster
Relator

Dated: August 8, 2025

KIRK CHAPMAN LAW LLC

By: 
Rolando G. Marquez
415 E. 37th Street, #29K
New York, New York 10016
rolandomarquez@aol.com

DEFENDANTS

Dated: August 6, 2025

By: _____

TCC INTERNATIONAL LLC

Jennie Enterprise
Manager

Dated: August 6, 2025

By: _____

CORE GRAVITY LLC

Jennie Enterprise
Manager

Dated: August 6, 2025

By: _____

CORE CLUB MEMBERS CORP.

Jennie Enterprise
President

Dated: August 6, 2025

By: _____

THE CORE CLUB: FIFTH AVE., INC.

Jennie Enterprise
President

Dated: August 6, 2025

By: _____

DENTONS US LLP

Louis A. Pellegrino
1221 Avenue of the Americas
New York, New York 10020
louis.pellegrino@dentons.com

Attorneys for Defendants

DEFENDANTS

Dated: August 6, 2025

TCC INTERNATIONAL LLC

By: _____
Jennie Enterprise
Manager

Dated: August 6, 2025

CORE GRAVITY LLC

By: _____
Jennie Enterprise
Manager

Dated: August 6, 2025

CORE CLUB MEMBERS CORP.

By: _____
Jennie Enterprise
President


Dated: August 6, 2025

THE CORE CLUB: FIFTH AVE., INC.

By: _____
Jennie Enterprise
President

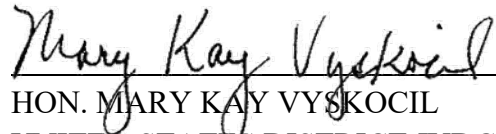
Dated: August 6, 2025

DENTONS US LLP

By:  _____
Louis A. Pellegrino
1221 Avenue of the Americas
New York, New York 10020
louis.pellegrino@dentons.com

Attorneys for Defendants

SO ORDERED:


HON. MARY KAY VYSKOCIL
UNITED STATES DISTRICT JUDGE

Dated: August 13, 2025

Exhibit A

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA *ex rel.* DANIEL
FOSTER,

Plaintiff,

v.

TCC INTERNATIONAL LLC d/b/a CORE: CLUB;
CORE CLUB MEMBERS CORP; and CORE:
GRAVITY LLC,

Defendants.

23 Civ. 10084 (MKV)

CONSENT JUDGMENT

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

TCC INTERNATIONAL LLC, CORE GRAVITY
LLC, and CORE CLUB MEMBERS CORP.,

Defendants.


Upon the consent of Plaintiff the United States of America and Defendants TCC International LLC, Core Gravity LLC, and Core Club Members Corp., it is hereby:

ORDERED, ADJUDGED and DECREED that Plaintiff the United States of America is awarded judgment in the amount of \$8,189,172.10 jointly and severally against TCC International LLC, Core Gravity LLC, and Core Club Members Corp., as well as post-judgment interest at the rate of 12 percent per annum compounded daily.

THE UNITED STATES OF AMERICA

Dated: New York, New York
August 7, 2025

JAY CLAYTON
United States Attorney for the
Southern District of New York

By: 
JESSICA F. ROSENBAUM
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Tel.: (212) 637-2777
jessica.rosenbaum@usdoj.gov
Attorney for the United States of America


DEFENDANTS

Dated: August 6, 2025

TCC INTERNATIONAL LLC
By: 


Jennie Enterprise
Manager

Dated: August 6, 2025

CORE GRAVITY LLC
By: 


Jennie Enterprise
Manager

Dated: August 6, 2025

CORE CLUB MEMBERS CORP.
By: 

Jennie Enterprise
President

Dated: August 6, 2025

THE CORE CLUB: FIFTH AVE., INC.
By: 

Jennie Enterprise
President

Dated: August 6, 2025

DENTONS US LLP
By: _____
Louis A. Pellegrino
1221 Avenue of the Americas
New York, New York 10020
louis.pellegrino@dentons.com

Attorneys for Defendants

DEFENDANTS

Dated: August 6, 2025

TCC INTERNATIONAL LLC

By: _____
Jennie Enterprise
Manager

Dated: August 6, 2025

CORE GRAVITY LLC

By: _____
Jennie Enterprise
Manager

Dated: August 6, 2025

CORE CLUB MEMBERS CORP.

By: _____
Jennie Enterprise
President


Dated: August 6, 2025

THE CORE CLUB: FIFTH AVE., INC.

By: _____
Jennie Enterprise
President

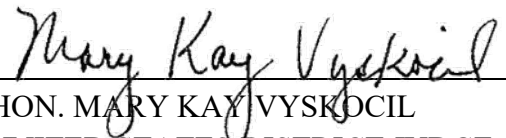
Dated: August 6, 2025

DENTONS US LLP

By:  _____
Louis A. Pellegrino
1221 Avenue of the Americas
New York, New York 10020
louis.pellegrino@dentons.com

Attorneys for Defendants

SO ORDERED:



HON. MARY KAY VYSKOCIL
UNITED STATES DISTRICT JUDGE

Dated: August 13, 2025

Exhibit B

GUARANTY AGREEMENT

This Guaranty Agreement is entered into by and among Jennie Enterprise (the “Guarantor”), an owner of TCC International LLC, Core Gravity LLC, and Core Club Members Corp. (collectively, the “Core Entities”), acting in her personal capacity, and the United States of America (the “United States” or “Government,” and together with the Guarantor, the “Parties”).

WHEREAS, on April 7, 2025, the Government, through the Office of the United States Attorney for the Southern District of New York, filed a Notice of Intervention in an action filed by a relator under the *qui tam* provisions of the False Claims Act (“FCA”), 31 U.S.C. §§ 3729 *et seq.*, in the United States District Court for the Southern District of New York, *United States ex. rel. Daniel Foster v. TCC International LLC d/b/a CORE: Club, et al.*, 23 Civ. 10084 (MKV);

WHEREAS, the Government is filing a Complaint-In-Intervention in the above-referenced *qui tam* action (the “Government Complaint”), in which it is asserting, *inter alia*, claims against the Core Entities under the FCA for allegedly fraudulently obtaining two loans under the Paycheck Protection Program and a grant under the Restaurant Revitalization Fund;

WHEREAS, the United States, the Core Entities, and the relator in the *qui tam* action wish to settle claims related to the aforementioned allegations through the execution of a Stipulation and Order of Settlement and Dismissal (the “Stipulation”), dated as of the Effective Date as such term is defined in Paragraph 29 of the Stipulation, and the Exhibits thereto, including this Guaranty Agreement;

WHEREAS, the specific claims being resolved are set forth in the Stipulation;

WHEREAS, the Core Entities have executed the Stipulation, incorporated by reference herein, under which the Core Entities, by and through THE CORE CLUB: FIFTH AVE., INC., shall pay the United States \$360,000 (the “Settlement Amount”) as set forth in Paragraph 3 of the Stipulation; and

WHEREAS, the Guarantor is not a party to the Stipulation;

IT IS HEREBY AGREED that, in exchange for adequate consideration, the Parties shall undertake the following obligations:

TERMS AND CONDITIONS

1. Statement of Guaranty. The Guarantor unconditionally and personally guarantees the prompt payment of the Settlement Amount of \$360,000 by the Core Entities as set forth in Paragraph 3 of the Stipulation.

2. Nature of Guaranty. The Guaranty set forth in Paragraph 1 of this Agreement constitutes a personal guaranty by the Guarantor of payment of the Settlement Amount of \$360,000 by the Core Entities as set forth in Paragraph 3 of the Stipulation and shall not be affected by any

event, occurrence or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety (other than full and complete payment of the Settlement Amount). In the event that any payment by the Core Entities pursuant to the Stipulation is rescinded or must otherwise be returned by virtue of any action by any bankruptcy court, the Guarantor shall remain personally liable hereunder with respect to the \$360,000 Settlement Amount as if payment had not been made. The Guarantor agrees that the United States may resort to the Guarantor for payment of any unpaid portion of the Settlement Amount without regard to whether the United States shall have proceeded against any other person or entity primarily or secondarily obligated with respect to any of the Settlement Amount.

3. Acceleration. The Guarantor agrees that, within 30 days of receipt of written notice from the United States that the Core Entities (i) have failed to make any payment required by the Stipulation, and (ii) have not cured their Default as provided for under Paragraph 11 of the Stipulation up to \$360,000, minus any payments already made pursuant to the Stipulation, the Guarantor will be jointly and severally obligated to pay in full the amount then due under the Stipulation. The Guarantor understands that the failure to adhere fully to the terms of this paragraph would be a material breach of this Guaranty Agreement.

4. No Waiver; Cumulative Rights. No failure on the part of the United States to exercise, and no delay in exercising any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the United States of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power. Each and every right, remedy and power hereby granted to the United States or allowed by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by the United States from time to time.

5. Effective Date. This Guaranty Agreement shall become effective on the Effective Date, as defined in Paragraph 29 of the Stipulation.

6. Subrogation. The Guarantor shall not exercise any subrogation rights she may acquire against the Core Entities as a result of this Guaranty Agreement until all of the Settlement Amount owed to the United States has been paid in full.

7. Waiver of Notice. The Guarantor waives notice of the acceptance of this Guaranty, presentment, demand, notice of dishonor, protest, and all other notices whatsoever.

8. Duration. This Guaranty shall continue in full force and effect until all of the Settlement Amount has been paid in full.

9. Entire Agreement. Each Party hereto represents and warrants that this Agreement constitutes a valid and binding agreement enforceable against each Party in accordance with its terms. This Agreement embodies the entire guaranty agreement between the Parties. There are no promises, terms, conditions or obligations other than those contained in this Agreement. This

Agreement supersedes all previous communications, representations or agreements either verbal or written between the Guarantor and the United States.

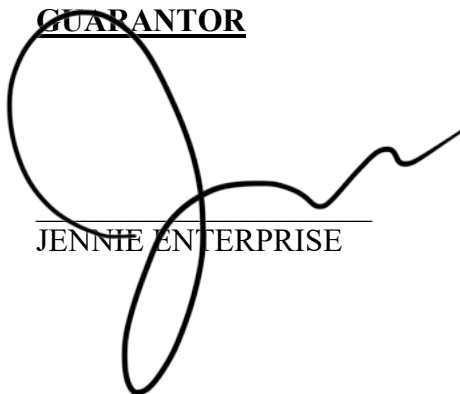
10. Severability. Should any one or more provisions of this Agreement be determined to be illegal, unenforceable, void or voidable, all other provisions shall remain in effect.

11. Assignment. No Party hereto may assign its rights, interest or obligations hereunder to any other person or entity without prior written consent of the other Party. The provisions of this Agreement shall be binding on the Parties hereto and their successors and assigns. This Agreement is to continue in full force and effect notwithstanding a change in the composition, ownership or corporate structure of any of the Core Entities.

12. Miscellaneous. This Agreement shall not be amended except in a writing signed by all Parties. Each signatory hereto represents and warrants that he or she is authorized to execute and deliver this Agreement on behalf of the Party for whom he or she is purporting to act. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

13. Governing Law; Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with federal common law. The Parties consent to the jurisdiction of the United States District Court for the Southern District of New York in any action to enforce any term of this Agreement.

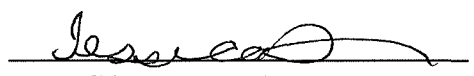
Dated: August 6, 2025

GUARANTOR

JENNIE ENTERPRISE

THE UNITED STATES OF AMERICA

Dated: New York, New York
August 8, 2025

JAY CLAYTON
United States Attorney for the
Southern District of New York

By: 
JESSICA F. ROSENBAUM
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Tel.: (212) 637-2777
jessica.rosenbaum@usdoj.gov
Attorney for the United States of America