

**LAW OFFICES  
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***FACSIMILE TRANSMITTAL LETTER***

*TO: Haytham Faraj, Esquire*

*FROM: James R. Hart, Esquire*

*FAX NO.: (202) 280-1039*

*DATE: 10/9/09*

*CLIENT/MATTER NO.: 09-030*

*PAGES: 6 (including cover page)*

*SENT BY: Ashley*

*TIME: (EST)*

*ITEM(S) SENT: Settlement agreement and confessed judgment promissory note*

*MESSAGE: Mr. Hart is out of the office today but will be checking email.*

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***SHOULD THIS FACSIMILE NOT BE COMPLETELY RECEIVED  
PLEASE CONTACT THE SENDER AT THE ABOVE NUMBER.***

**CONFIDENTIALITY NOTICE**

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## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made this \_\_\_ day of October, 2009, by and between AIC, Inc. (hereinafter "AIC") on the one hand and Fathia H. Soliman, individually, trading as "Faz Creative Education," and Fatema Alzahraa Child Care & Early Learning, Inc. (hereinafter collectively "Soliman") on the other hand.

IN CONSIDERATION of the mutual promises herein contained, and other good and valuable consideration, the parties hereby agree as follows:

1. Simultaneous with the execution of this Agreement, the parties, by counsel, shall execute the original of the Consent Final Order attached hereto as Exhibit A, and agree to cooperate with its entry at the earliest feasible opportunity.

2. Simultaneous with the execution of this Agreement, Soliman shall execute the original of the Confessed Judgment Promissory Note attached hereto as Exhibit B, and shall deliver the executed original to counsel for AIC.

3. Simultaneous with the execution of this Agreement, Soliman, or some person or entity on Soliman's behalf, shall pay to AIC the sum of \$5,000.00 U.S. The check should be made payable to "AIC, Inc." and should be delivered to AIC's counsel. The \$5,000.00 corresponds to the first payment under the promissory note herein.

4. Within three business days of the execution of this Agreement, AIC shall turn over to Soliman the supporting documents prepared and billed by AIC associated with the rezoning application.

5. AIC on the one hand and Soliman on the other hand hereby mutually release each other, and their respective agents, attorneys, employees, officers and directors, principals and assigns from any and all claims, demands, causes of action, rights of action or other antagonistic assertions of right, known or unknown, from the beginning of the world until the present, related in any way to the parties' business dealings, the contract between the parties dated April 21, 2008, as amended, or the litigation now pending between the parties, Civil Action No. CL2009-1558 in the Circuit Court of Fairfax County. Claims for a breach of this Agreement are hereby excluded from the operation of this paragraph.

6. No party admits any wrongdoing by entering into this Agreement.

7. The parties agree to cooperate with the execution of such other and further instruments as may be necessary to carry out the intent of this Agreement.

8. This Agreement shall be construed under the laws of the Commonwealth of Virginia.

9. This Agreement contains the entire Agreement between the parties, and there are

no other terms or conditions, express or implied. Any amendment to this Agreement must be in writing, and signed by all parties, in order to be valid.

10. This Agreement may be executed in multiple counterpart originals, each of which shall be as effective as any other.

11. In the event of a breach of this Agreement, the prevailing party, as may be determined by a court of competent jurisdiction, shall be entitled to recover its reasonable attorney's fees incurred in a successful enforcement or defense of enforcement claim, as the case may be, under this Agreement.

WITNESS the following signatures and seals:

AIC, INC.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
M. Mazen Ayoubi, AIA and  
Authorized Agent

Date: \_\_\_\_\_

\_\_\_\_\_  
Fathia Soliman, individually  
t/a Faz Creative Education

FATEMA ALZAHRAA CHILD CARE  
& EARLY LEARNING, INC.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Fathia Soliman, President and  
Authorized Agent

**CONFESSED JUDGMENT PROMISSORY NOTE**

**October 13, 2009**

**\$69,585.38**

**Fairfax, Virginia**

For value received, the undersigned, Fathia H. Soliman, individually, trading as "Faz Creative Education" and Fatema Alzahraa Child Care & Early Learning, Inc. (hereinafter "Soliman" or "Makers"), promises to pay to the order of AIC, Inc. (hereinafter "AIC" or "Noteholder"), the sum of Sixty Nine Thousand Five Hundred Eighty Five Dollars and Thirty-Eight Cents (\$69,585.38), payable at 10505 Judicial Drive, Suite 101, Fairfax, Virginia 22030, or such other place as Noteholder shall designate in writing. Maker expressly agrees that this Promissory Note, or any payment hereunder, may be extended from time to time, without in any way affecting the liability of the Makers.

**PAYMENT**

Payable as follows: One payment of \$5,000.00 simultaneous with the execution of the note, then seven payments of \$6,647.34 commencing November 1, 2009 and due on the first of each month thereafter until paid, with a final payment of \$6,647.32 due June 1, 2010. This totals \$58,178.70. Makers reserve the right to prepay any installment. If the \$58,178.70 is timely paid as provided herein, the remaining balance will be forgiven.

Schedule of payments is as follows:

<u>Due Date</u>	<u>Amount</u>
October 15, 2009	\$ 5,000.00
November 1, 2009	\$ 6,647.34
December 1, 2009	\$ 6,647.34
January 1, 2010	\$ 6,647.34
February 1, 2010	\$ 6,647.34
March 1, 2010	\$ 6,647.34
April 1, 2010	\$ 6,647.34
May 1, 2010	\$ 6,647.34
June 1, 2010	<u>\$ 6,647.32</u>
	\$58,178.70

**INTEREST**

Interest shall be payable only upon default, as specified herein.

**PREPAYMENT**

The privilege is reserved to Makers to pay the unpaid principal balance in part or in full at any time, without penalty or notice.

## **EVENT OF DEFAULT**

An event of default shall occur upon any of the following:

1. Failure of the Makers to pay any installment on the date the installment is due;
2. Filing bankruptcy by, or for, any of the Makers.

## **LATE CHARGE**

The Makers shall pay the Noteholder a late charge of five percent (5%) of each payment not received by the Noteholder by the due date. A payment shall be deemed timely made if postmarked by the due date.

## **REMEDIES UPON DEFAULT**

Upon an event of default, the Noteholder may accelerate the entire indebtedness, including the additional amounts described below, and demand immediate payment in full of the entire indebtedness. In addition, the Noteholder may obtain judgment by confession against the Makers, or pursue such legal and/or equitable remedies as the Noteholder may have under applicable law. The Makers shall be liable for any and all costs and expenses incurred by the Noteholder by reason of default, including reasonable attorney's fees of twenty-five percent (25%). Upon an event of default, the Noteholder shall be entitled to demand payment of the sum of Sixty Nine Thousand Five Hundred Eighty Five Dollars and Thirty-Eight Cents (\$69,585.38), together with interest at 1.8% per month on \$58,178.70 from December 31, 2008, together with an award of costs and reasonable attorney's fees, less any credit for payments made to date pursuant to this instrument.

## **CONFESSION OF JUDGMENT**

The Makers hereby appoint James R. Hart, Esquire, as Makers' duly constituted attorney-in-fact pursuant to VA. CODE ANN. § 8.01-435, to confess judgment against Makers, and in favor of the Noteholder, in the clerk's office of any Circuit Court within the Commonwealth of Virginia, for so much principal and interest as Noteholder may be willing to accept a judgment or decree for under this instrument, including reasonable attorney's fees of twenty-five percent (25%). Such judgment shall be as final and binding as though confessed in open court or rendered by the court. The attorney-in-fact is authorized to confess judgment against the Makers upon the occurrence of an event of default under this instrument. The confession of judgment shall be in the form prescribed by VA. CODE ANN. § 8.01-436, and shall be served on the Makers by the clerk, as may be required by law.

Makers expressly agrees that the amount of the confessed judgment shall be Sixty Nine Thousand Five Hundred Eighty Five Dollars and Thirty-Eight Cents (\$69,585.38), together with interest at 1.8% per month on \$58,178.70 from December 31, 2008, together with an award of costs and reasonable attorney's fees of twenty-five percent (25%), less a credit for any payments made to date pursuant to this Promissory Note.

**IMPORTANT NOTICE**

**THIS INSTRUMENT CONTAINS A CONFESSION OF JUDGMENT PROVISION WHICH CONSTITUTES A WAIVER OF IMPORTANT RIGHTS YOU MAY HAVE AS A DEBTOR AND ALLOWS THE CREDITOR TO OBTAIN A JUDGMENT AGAINST YOU WITHOUT FURTHER NOTICE.**

**WAIVER**

The Makers expressly waive demand, presentment, dishonor, notice and protest, as well as the benefit of the Homestead Exemption as to this debt.

**WITNESS THE FOLLOWING SIGNATURES:**

Date: \_\_\_\_\_

\_\_\_\_\_  
Fathia Soliman, individually  
t/a Faz Creative Education

FATEMA ALZAHRAA CHILD CARE  
& EARLY LEARNING, INC.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Fathia Soliman, President and Authorized  
Agent