IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No.: 10-cv-01051-CMA-MJW

QFA ROYALTIES LLC, a Delaware limited liability company; and QIP HOLDER LLC, a Delaware limited liability company,

Plaintiffs,

v.

CSV INC., a Colorado corporation; SHANKAR POUDEL, individually; DEMA POUDEL, individually; SANJIV VARSHNEY, a/k/a SANJEEV VARSHNEY, individually; RITU JAIN, individually; and RAJESH JAIN, individually,

Defendants.

AGREED PERMANENT INJUNCTION

On this date, the Court considered the Stipulated Motion for Entry of Agreed Permanent Injunction ("Stipulated Motion") filed by Plaintiffs QFA Royalties LLC ("QFA") and QIP Holder LLC ("QIP") and Defendants CSV Inc. ("Franchisee"), Shankar Poudel, Dema Poudel, Sanjiv Varshney a/k/a Sanjeev Varshney ("Varshney"), Ritu Jain and Rajesh Jain (each of the Defendants apart from Franchisee are collectively referred to as "Guarantors"). Upon stipulation between Plaintiffs and Defendants the Court hereby grants the Stipulated Motion and enters it as an order of the Court.

THE PARTIES HEREBY STIPULATE AS FOLLOWS:

1. This action arises out of a written Franchise Agreement effective May 19, 2005, between QFA, as successor in interest to Quizno's Franchising II LLC, and Franchisee. Pursuant to the Franchise Agreement, Franchisee was granted the right, subject to the terms and conditions of the Franchise Agreement, to operate Quiznos Sub Restaurant No. 77 located at 10450 West Colfax Avenue, Lakewood, Colorado 80215 (the "Restaurant").

2. Franchisee is owned by Shankar Poudel, Varshney and Ritu Jain. On March 27, 2010, Franchisee filed a notice of voluntary dissolution with the Colorado Secretary of State.

3. Guarantors personally guaranteed all of the obligations under the Franchise Agreement.

4. Plaintiffs terminated the Franchise Agreement by notice dated March 11, 2010.

5. Following termination of the Franchise Agreement, Defendants were required, *inter alia,* to cease operating the Restaurant as a Quiznos Sub, to cease using QIP's Marks (as defined in the Franchise Agreement), trade secrets and trade dress, and to de-identify the Restaurant removing the Marks, trade dress, signs and symbols and to refrain from operating a Competitive Business (as defined in the Franchise Agreement) from the location of the Restaurant or within five miles of that or any other Quiznos Sub restaurant location.

6. Following termination of the Franchise Agreement and Plaintiffs' demand that Defendants cease using the Marks and trade dress, the Marks and trade dress were used in connection with the operation of a Competitive Business at the same location as the former Quiznos Sub Restaurant.

7. Defendants agree that the Franchise Agreement was properly terminated by notice dated March 11, 2010.

8. In order to avoid the cost, expense and time involved in litigating these issues, Defendants have agreed to the entry of this Agreed Permanent Injunction against them.

9. Defendants hereby waive any and all claims that this Agreed Permanent Injunction was improperly entered.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

Defendants, their agents, servants and employees, and those people in active concert or participation with them are enjoined from:

1. Using the Marks or any trademark, service mark, logo or trade name that is confusingly similar to the Marks;

a. Otherwise infringing on the Marks or using any similar designation, alone or in combination with any other components;

b. Passing off any of their products or services as those of Plaintiffs or its authorized franchisees;

c. Causing a likelihood of confusion or misunderstanding as to the source or sponsorship of their businesses, products or services;

d. Causing a likelihood of confusion or misunderstanding as to their affiliation, connection or association with Plaintiffs and its franchisees or any of Plaintiffs' products or services; and

e. Unfairly competing with Plaintiffs or its franchisees in any manner.

2. For a period of two years, Defendants are enjoined from having any direct or indirect interest in any submarine, hoagie, hero-type and/or deli-style sandwich restaurant located or operating within a five (5) mile radius of the former Quiznos Sub Restaurant located at 10450 West Colfax Avenue, Lakewood, Colorado 80215, or within a five (5) mile radius of any other Quiznos Sub restaurant.

3. Absent written permission from Plaintiffs, Defendants shall remove from the location (interior and exterior) of their former Quiznos Sub Restaurant all labels, signs, prints, packages, wrappers, receptacles, uniforms, logo items, and advertisements bearing the Marks and all of Plaintiffs' trade dress, including but not limited to the millwork, pendent lights, point-of-purchase merchandizing, pepper bar, stanchion, tabletops and chairs, product displays, menu board, oven and oven hood and trash receptacles used in connection with Defendants' former Quiznos Sub Restaurant, all at Defendants' cost.

4. Defendants shall eliminate any advertising under the Marks or any other confusingly similar designations from all media including, but not limited to, newspapers, flyers, coupons, promotions, signs, menus, telephone books, telephone directory assistance listings and mass mailings used in connection with Defendants' former Quiznos Sub Restaurant, all at Defendants' cost.

5. Defendants shall perform their contractual post-termination obligations, including their obligation to:

a. Take any and all necessary steps to cancel and/or transfer to any telephone numbers associated with the Marks used in connection with the operation of the former Quiznos Sub Restaurant; and

b. Return to Plaintiffs all operating manuals and other written materials provided to Defendants in connection with the operation of their former Quiznos Sub Restaurant.

AGREED TO this 28 day of June, 2010.

PLAINTIFFS:

QFA ROYALTIES LLC

By: Carri Bryan

Its: **Carri Bryan**
VP Litigation Management

QIP HOLDER LLC

By: Carri Bryan

Its **Carri Bryan**
VP Litigation Management

DEFENDANTS:

CSV INC., dissolved March 27, 2010

By: [illegible]

Its: President

SHANKAR POUDEL

Shankar Poudel, Individually

DEMA POUDEL

Dema Poudel, Individually

RITU JAIN

Ritu Jain, Individually

RAJESH JAIN

Rajesh Jain, Individually

SANJIV VARSHNEY A/K/A
SANJEEV VARSHNEY

Sanjiv Vashney a/k/a Sanjeev Varnshey, Individually

SO ORDERED this _____ day of _____, 2010.

BY THE COURT:

United States District Judge

AGREED TO this 28th day of June, 2010.

PLAINTIFFS:

QFA ROYALTIES LLC

By:_____
Its:_____

QIP HOLDER LLC

By:_____
Its:_____

DEFENDANTS:

CSV INC., dissolved March 27, 2010

By:_____
Its:_____

SHANKAR POUDEL

_____
Shankar Poudel, Individually

DEMA POUDEL

Dema Poudel
Dema Poudel, Individually

RITU JAIN

_____
Ritu Jain, Individually

RAJESH JAIN

_____
Rajesh Jain, Individually

SANJIV VARSHNEY A/K/A
SANJEEV VARSHNEY

_____
Sanjiv Vashney a/k/a Sanjeev Varnshey, Individually

SO ORDERED this _____ day of _____, 2010.

BY THE COURT:

_____
United States District Judge

AGREED TO this 29th day of June, 2010.

PLAINTIFFS:

QFA ROYALTIES LLC

By:_____
Its:_____

QIP HOLDER LLC

By:_____
Its:_____

DEFENDANTS:

CSV INC., dissolved March 27, 2010

By:_____
Its:_____

SHANKAR POUDEL

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Shankar Poudel, Individually

DEMA POUDEL

_____
Dema Poudel, Individually

RITU JAIN

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Ritu Jain, Individually

RAJESH JAIN

_____
Rajesh Jain, Individually

SANJIV VARSHNEY A/K/A
SANJEEV VARSHNEY

_____
Sanjiv Vashney a/k/a Sanjeev Varnshey, Individually

SO ORDERED this _____ day of _____, 2010.

BY THE COURT:

_____
United States District Judge

AGREED TO this 28th day of June, 2010.

PLAINTIFFS:

QFA ROYALTIES LLC

By:_____
Its:_____

QIP HOLDER LLC

By:_____
Its:_____

DEFENDANTS:

CSV INC., dissolved March 27, 2010

By:_____
Its:_____

SHANKAR POUDEL

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Shankar Poudel, Individually

DEMA POUDEL

_____
Dema Poudel, Individually

RITU JAIN

_____
Ritu Jain, Individually

RAJESH JAIN

_____
Rajesh Jain, Individually

SANJIV VARSHNEY A/K/A
SANJEEV VARSHNEY

_____
Sanjiv Vashney a/k/a Sanjeev Varnshey, Individually

SO ORDERED this _____ day of _____, 2010.

BY THE COURT:

_____
United States District Judge

AGREED TO this _____ day of _____, 2010.

PLAINTIFFS:

QFA ROYALTIES LLC

By:_____
Its:_____

QIP HOLDER LLC

By:_____
Its:_____

DEFENDANTS:

CSV INC., dissolved March 27, 2010

By:_____
Its:_____

SHANKAR POUDEL

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Shankar Poudel, Individually

DEMA POUDEL

_____
Dema Poudel, Individually

RITU JAIN

_____
Ritu Jain, Individually

RAJESH JAIN

_____
Rajesh Jain, Individually

SANJIV VARSHNEY A/K/A
SANJEEV VARSHNEY

_____
Sanjiv Vashney a/k/a Sanjeev Varnshey, Individually

SO ORDERED this 1st day of July, 2010.

BY THE COURT:

Christine M Arguello

CHRISTINE M. ARGUELLO
United States District Judge