

ALSTON & BIRD LLP

Gerard S. Catalanello
William Hao
90 Park Avenue
New York, NY 10016
Telephone: (212) 210-9400
Email: Gerard.Catalanello@alston.com
William.Hao@alston.com

*Counsel to the Debtors and
Debtors in Possession*

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

In re:)	CHAPTER 11
)	
KG WINDDOWN, LLC, <i>et al.</i> , ¹)	
)	CASE NO. 20-11723 (MG)
Debtors.)	
)	(Jointly Administered)

**NOTICE OF FILING OF STIPULATION
RESOLVING THE CLAIMS OF THE STATE OF NEW JERSEY**

PLEASE TAKE NOTICE that KG Winddown, LLC and its affiliated debtors and debtors in possession (each a “**Debtor**” and collectively, the “**Debtors**”), by and through their undersigned counsel submit the proposed *Stipulation Resolving the Claims of the State of New Jersey* attached hereto as **Exhibit A**.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number (if any), include: KG Winddown, LLC (8556); KG USA Winddown, LLC (1682); KG III Winddown, LLC (2613); KG LV Winddown, LLC (9805); KG Florida Winddown, LLC (9385); KG Puerto Rico Winddown, LLC (0901); KG AC Winddown, LLC (5082); KG Products Winddown, LLC (0303); KG LI Restaurant Group Winddown, LLC (1623); KG LI Winddown, LLC (1488); KG Franchise Winddown, LLC (0565); KG 60th St Holdings Winddown, LLC (9997); KG Broadway Winddown, LLC (4335); KG Hamptons Winddown, LLC (0423) and KG Payroll Winddown, LLC (0807). For the purpose of these chapter 11 cases, the service address for the Debtors is: 12 Penns Trail, Suite 125, Newton, PA 18940.

Dated: June 4, 2021

ALSTON & BIRD LLP

By: /s/ William Hao
Gerard S. Catalanello
William Hao
90 Park Avenue
New York, NY 10016
Telephone: (212) 210-9400
Gerard.Catalanello@alston.com
William.Hao@alston.com

*Counsel to the Debtors and
Debtors in Possession*

Exhibit A

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

IN RE:)	CHAPTER 11
)	
KG WINDDOWN, LLC, <i>ET AL.</i>,¹)	
)	CASE NO. 20-11723 (MG)
DEBTORS.)	
)	(JOINTLY ADMINISTERED)

**STIPULATION RESOLVING THE CLAIMS OF
THE STATE OF NEW JERSEY**

WHEREAS, on or about September 28, 2020, the New Jersey Department of Labor and Workforce (“**NJ Labor**”) filed a proof of claim in the bankruptcy cases of the above captioned debtors, which was assigned proof of claim number 729-8 (“**POC 729-8**”);

WHEREAS, pursuant to POC 729-8, NJ Labor asserted secured claims totaling \$587.31 and priority claims totaling \$311.24;

WHEREAS, on or about September 30, 2020, NJ Labor filed a proof of claim in the bankruptcy cases of the above captioned debtors, which was assigned proof of claim number 729-7 (“**POC 729-7**”);

WHEREAS, pursuant to POC 729-7, NJ Labor asserted secured claims totaling \$31,655.29;

WHEREAS, on or about February 8, 2021, NJ Labor filed a proof of claim in the bankruptcy cases of the above captioned debtors, which was assigned proof of claim number 729-21 (“**POC 729-21**”);

¹ The Debtors in these Chapter 11 Cases (defined below), along with the last four digits of each Debtor’s federal tax identification number (if any), include: KG Winddown, LLC (8556); KG USA Winddown, LLC (1682); KG III Winddown, LLC (2613); KG LV Winddown, LLC (9805); KG Florida Winddown, LLC (9385); KG Puerto Rico Winddown, LLC (0901); KG AC Winddown, LLC (5082); KG Products Winddown, LLC (0303); KG LI Restaurant Group Winddown, LLC (1623); KG LI Winddown, LLC (1488); KG Franchise Winddown, LLC (0565); KG 60th St Holdings Winddown, LLC (9997); KG Broadway Winddown, LLC (4335); KG Hamptons Winddown, LLC (0423) and KG Payroll Winddown, LLC (0807). For the purpose of these Chapter 11 Cases, the service address for the Debtors is: 12 Penns Trail, Suite 125, Newton, PA 18940.

WHEREAS, pursuant to POC 729-21, NJ Labor asserted administrative expense claims totaling \$430.57;

WHEREAS, on or about October 5, 2020, the State of New Jersey Division of Taxation (“**NJ Taxation**,” together with NJ Labor, the “**Claimants**”) filed a proof of claim in the bankruptcy cases of the above captioned debtors, which was assigned proof of claim number 724-7 (“**POC 724-7**”);

WHEREAS, pursuant to POC 724-7, NJ Taxation asserted secured claims totaling \$208,938.78, priority unsecured claims totaling \$16,017.94, and general unsecured claims totaling \$15,955.69;

WHEREAS, on or about October 5, 2020, NJ Taxation filed a proof of claim in the bankruptcy cases of the above captioned debtors, which was assigned proof of claim number 724-8 (“**POC 724-8**”, together with POC 724-7, POC 729-21, POC 729-7, POC 729-8 (the “**Claims**”));

WHEREAS, pursuant to POC 724-8, NJ Taxation asserted secured claims totaling \$208,938.78, priority unsecured claims totaling \$16,017.94, and general unsecured claims totaling \$15,955.69;

WHEREAS, on April 28, 2021, the Debtors filed their *First Omnibus Objection to (a) Duplicative Claims, (b) Claims Inconsistent with the Debtors’ Books and Records, and (c) Reclassified Claims* (Docket No. 469; the “**First Omnibus Claims Objection**”), which set forth, among other things, objections to the Claims;

The Debtors (collectively with the Claimants, the “**Parties**”), and the Claimants desire to resolve their disputes regarding the Claims;

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED AND SO

ORDERED THAT:

1. The foregoing recitals are hereby fully incorporated into and made an express part of this Stipulation.
2. POC 729-8 is reclassified and allowed as a priority unsecured claim in the amount of \$587.71.
3. POC 729-7 is reclassified and allowed as a general unsecured claim in the amount of \$31,655.29.
4. POC 729-21 is reclassified and allowed as a priority unsecured claim in the amount of \$430.57.
5. POC 724-7 is disallowed and shall be expunged.
6. POC 724-8 is reclassified and allowed as follows: (i) a priority unsecured claim in the amount of \$46,321.80 and (ii) a general unsecured claim in the amount of \$194,590.61.
7. The Debtors' claims and noticing agent is authorized to take any actions necessary to effectuate the terms of this Stipulation, including without limitation updating the claims registry for these cases.
8. Upon execution of this stipulation, the Claimants shall be deemed to have waived and released any and all claims Claimants may have against Debtors other than the claims allowed pursuant to this Stipulation.
9. Authorization: Each person who executes this Stipulation, by or on behalf of each respective Party, represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation on behalf of such Party.

10. Counterparts: This Stipulation may be executed in counterparts, each of which is deemed an original, but when taken together constitute one (1) and the same document. Facsimile or other electronic copies of signature on this Stipulation shall have the same force and effect as and shall be deemed original signatures.
11. Effective: This Stipulation will be effective upon approval by the Bankruptcy Court.
12. Binding: This Stipulation and all of its provisions are binding on, and inure to the benefit of, the Parties hereto and their respective successors and assigns.
13. Retention of Jurisdiction: The Court shall retain jurisdiction over all matters pertaining to the implementation, interpretation and enforcement of this Stipulation.
14. No Stay of Order: Any stay of this Stipulation provided for in the Federal Rules of Bankruptcy Procedure or otherwise is hereby waived, and this Stipulation shall be effective and enforceable upon its entry.

AGREED TO IN FORM AND SUBSTANCE:

ALSTON & BIRD LLP

/s/ William Hao

William Hao
90 Park Avenue
New York, NY 10016
(212) 210-9400 (telephone)
(212) 210-9444 (facsimile)

Counsel for the Debtors

**GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW
JERSEY**

/s/ Ramanjit K. Chawla

Ramanjit K. Chawla
Deputy Attorney General
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 106
Trenton, N.J. 08625-0106

Attorney for Claimants

IT IS SO ORDERED:

Dated: June __, 2021
New York, New York

Honorable Martin Glenn
United States Bankruptcy Judge