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ORIGINAL CENTRAL DISTRICT OF

Attorneys for Plaintiff, GIANNI VERSACE, S.p.A.

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION

GIANNI VERSACE, S.p.A., a Foreign) Corporation,

Plaintiff,

-VS-

AWADA, Individual: MONIR M. an MOHAMED BDAIR, an Individual; ALI CHAHINE, Individual; **GINNO** an CHAHINE, an Individual; MOHAMAD N. CHAHINE, an Individual; NADER CHAHINE, Individual: MOUSSA an DAANA, an Individual; AKIL EL REDA, an Individual; ALI KHALIL ELREDA, Individual; FIRAS MOHAMMAD FAKIH, an Individual; ALI YOUSSEF FARHAT, an HASSAN **MOHAMAD** Individual; FARHAT, an Individual; MOHAMAD ALI FARHAT, an Individual; YOUSSEF M. FARHAT, an Individual; ALI ADNAN GHACHÁM, an Individual; Individual; ADNAN TAGRID Individual; ALI DAOUD GHACHAM, Individual; HUSSEIN DAOUD GHACHAM, an Individual; MOHAMED GHACHAM, an Individual; OSSAMA DAOUD GHACHAM, an Individual; RAMONA GONZALEZ, an Individual; MAHMOUD H. HARB, Individual; MAHA ASSAAD JOMAA, an Individual; MOUSSA MATAR, an Individual; HUSSEIN MOURAD, an Individual; SAMIR YAMEL an Individual; MOURAD.

CASE NO.: CV 03-3254 GPS (RNBx)

UPON JUDGMENT FINAL PERMANENT CONSENT; INJUNCTION; DISMISSAL OF AND PROPOSED CLAIMS; THEREON ORDER RESPECT TO DEFENDANTS:

- MIRIAM SALEH 1.
- dba PAOLO MALDINI **ALI HUSSEIN SALEH** 2.

dba PAOLO MALDINI

Complaint Filed: May 9, 2003

Trial Date: June 10, 2008

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Consent Judgment

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MOURAD, an Individual; YOUNG JIN PARK, an Individual; ABDEL NABI SAAB, 1 an Individual: ALEX SAAB, an Individual; 2 ALI HUSSEIN SAAB, an Individual; ALI 3 NAIM SAAB, an Individual; ELSA SAAB, an Individual; HASSAN SAAB, an Individual; HUSSEIN YOUSSEF SAAB, an Individual; 4 AHMAD M. SAAB, an Individual; TASHIN SAAB, an Individual; YOUSEF SAAB, an Individual; AHMED KHALIL SALEH, an Individual; HUSSEIN KHALIL SALEH, an 6 Individual; MAHMOUD KHALIL SALÉH. an Individual; ABBAS SALEH SALEH, an 7 SALEH, Individual; ALI SALEH Individual; HASSAN SALEH SALEH, an 8 Individual; HUSSEIN SALEH SALEH, an Individual: NAJIBE SALEH SALEH, an 9 Individual; ABBAS MAHMOUD SALEH, an Individual: ALI SLEIMAN SALEH, an 10 Individual; HUSSEIN ALI SALEH. MIRIAM S. SALEH. an 11 Individual: Individual; MUSTAPHA ALI SALEH, an Individual; AHMAD SALIM, an Individual; 12 SALIM, an Individual; ANA IKHLAS MARIA SANDOVAL, an Individual; JOSE 13 G. SANDOVAL, an Individual; ALI M. TEHFI, an Individual; KHALED TEHFE, an 14 Individual; NAZIH TEHFE, an Individual; AMA CASUALS, INC., a California Corporation; AWADA BROS, INC., a 15 California Corporation; AWADA BROTHERS, INC., a California Corporation; THE BRAND NAME CONNECTION, AWADA 16 17 a California Corporation; CENSO UNICO, INC., a California Corporation; 18 DENIM PALACE, INC., a California Corporation; GHACHAM, INC., a California 19 Corporation: HIP HOP CONNECTIONS, INC., a California Corporation; JAVINCCI, 20 LLC., a California Limited Liability Corporation; LA BRAND NAME, INC., a 21 Corporation; LIMITED CLOTHING, INC., a California Corporation; LOS HERMANOS, INC., a California Corporation; MAS SPORTSWEAR, INC., a California Corporation; MGM TRADING, California 22 23 INC., a California Corporation; MIRAGE CONNECTION, INC., a California 24 California Corporation; NUEVA TIENDA, INC., a California Corporation dba NUEVA TIENDA; 25 SAAB & SONS CLOTHING, INC., California Corporation; SAAB GROUP, INC 26 a California Corporation; SPORT JEANS 27 a California Corporation; TRES HERMANOS INC., a California Corporation; 28 TTORNEYS AT LAW BEVERLY HILLS

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and UNESCO JEANS, INC., a California Corporation aka UNESCO, INC., and CINCO DE MAYO, INC., a California Corporation aka 5 DE MAYO, INC., dba 5 de Mayo, Cinco de Mayo and Five de Mayo, Inclusive,

Defendants.

Plaintiff, GIANNI VERSACE, S.p.A., a Foreign Corporation ("VERSACE") and Defendants, MIRIAM SALEH, an Individual and ALI HUSSEIN SALEH, an Individual, collectively dba PAOLO MALDINI hereby stipulate and consent to the following Consent Judgment:

WHEREAS, the parties have agreed to the entry of the following findings of fact and conclusions of law finally disposing of Count V of the First Amended Complaint asserted by VERSACE, it is hereby ordered, adjudged and decreed that:

WHEREAS, ALI HUSSEIN SALEH adopted and began using trademarks in the United States which infringe or otherwise violate VERSACE's registered trademarks: GIANNI VERSACE, VJC, VERSACE and the MEDUSA designs (the "VERSACE Trademarks") as identified in VERSACE's Complaint/1st Amended Complaint;

WHEREAS, ALI HUSSEIN SALEH's use of names and marks which incorporate one or more of the VERSACE Trademarks, is likely to cause confusion as to source or origin;

WHEREAS, ALI HUSSEIN SALEH 's use of names and marks which incorporate one or more of the VERSACE Trademarks, was with reckless disregard to VERSACE's rights for the purpose of trading on the good will and reputation of VERSACE;

WHEREAS, ALI HUSSEIN SALEH promoted and advertised names and marks which incorporate one or more of the VERSACE Trademarks;

WHEREAS, ALI HUSSEIN SALEH sold and/or offered for sale merchandise bearing names and marks which incorporate one or more of the VERSACE Trademarks;

WHEREAS, based upon VERSACE's good faith prior use of the VERSACE Trademarks, VERSACE has superior and exclusive rights in and to the VERSACE

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ASSOCIATES TORNEYS AT LAW REVERLY HILLS Trademarks in the United States and any confusingly similar names or marks;

WHEREAS, VERSACE Trademarks registered, at issue in this matter, and on file with the United States Patent and Trademark Office are famous and distinctive; and

WHEREAS, this Court has jurisdiction over the party to this action and over the subject matter hereof pursuant to 15 USC 1121(a) and 28 USC 1331, 1338(a) and (b), and 28 USC 1367,

IT IS ORDERED, ADJUDGED AND DECREED as follows:

- Defendant ALI HUSSEIN SALEH, an Individual, dba PAOLO MALDINI 1. violated the Federal Lanham Act as alleged in Count V - TRADEMARK INFRINGEMENT AND COUNTERFEITING (15USC § 1114(1)).
- Defendant ALI HUSSEIN SALEH, his parents, subsidiaries, related entities, 2. divisions, officers, owners, shareholders, employees, affiliates, servants, representatives, agents, predecessors, assigns and successors in interest of any kind, and all persons, firms, entities, or corporations under his direction and control or in active concert or participation with him, are immediately and permanently enjoined throughout the world from directly or indirectly infringing, counterfeiting, or diluting the VERSACE Trademarks or any marks similar thereto, as identified in Exhibit A of the 1st Amended Complaint and on Registry with the United States Patent & Trademark Office, in any manner, including generally, but not limited to manufacturing, importing, distributing, advertising, selling, and/or offering for sale any merchandise which infringes said trademarks and specifically from:
- Imitating, copying or making unauthorized use of any or all of the (A) GIANNI VERSACE trademarks or trade dress;
- Importing, manufacturing, producing, possessing, distributing, **(B)** circulating, advertising, promoting, displaying, selling, and/or offering for sale, any nongenuine product bearing any simulation, reproduction, counterfeit, copy, or colorable imitation or reproduces, or utilizes the likenesses of or which copy or are likely to cause consumer confusion with any of the VERSACE trademarks or confusingly similar mark, trade name, trade dress, logos, design or phonetically similar sounding words or symbols;

- (C) Manufacturing, distributing, selling or offering for sale or in connection thereto any unauthorized promotional materials, labels, packaging or containers which picture, reproduce or utilize the likenesses of, or which are likely to cause consumer confusion with any of the VERSACE trademarks;
- (D) Using any false designation of origin, false description, including words, symbols or any trademark, trade name, trade dress, logo or design tending to falsely describe or represent, or is likely to confuse, mislead, or deceive purchasers, Defendants' customers, or members of the public, that unauthorized merchandise manufactured, distributed, advertised, sold and/or offered for sale by Defendants originate from VERSACE, or that said merchandise has been sponsored, authorized, endorsed, approved, licensed by, associated, or is in any way connected or affiliated with VERSACE;
- (E) Transferring, consigning, selling, shipping or otherwise moving any non-genuine VERSACE goods, packaging or other materials in the Defendants' possession, custody or control bearing a design, or mark substantially identical to or confusingly similar with or any or all of the GIANNI VERSACE trademarks or trade dress;
- (F) Diluting and infringing the VERSACE trademarks and damaging
 VERSACE's goodwill, reputation and businesses;
- (G) Otherwise unfairly competing with GIANNI VERSACE, S.p.A., or its subsidiaries or affiliated companies;
- (H) Passing off or selling any products which are not entirely genuine VERSACE products as and for VERSACE products, including products utilizing VERSACE labels, packaging or containers that have been in any way modified without the written permission of VERSACE;
- (I) Applying to the United States Patent & Trademark Office for the registration of any trademark that is a colorable imitation of any or all of the GIANNI VERSACE trademarks, or confusingly similar mark, trade name, trade dress, logos or design;
- (J) Using the VERSACE trademarks or any such reproduction, counterfeit, copy, or colorable imitation in connection with the manufacture, importation, distribution, advertising, publicity, sale and/or offering for sale, of any other merchandise not referred

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- (K) Instructing, assisting, inducing, aiding or abetting any other person or business entity in engaging in or performing any of the activities referred to above.
- 3. The jurisdiction of this Court is retained for the purpose of making any further orders necessary or proper for the construction or modification of the Settlement Agreement, this Judgment, the enforcement thereof and the punishment of any violations thereof.
- 4. Any party shall have the right to seek sanctions for contempt, compensatory damages, injunctive relief, attorneys' fees, costs, and such other relief deemed proper in the event of a violation or failure to comply with any of the provisions hereof. The prevailing party in any such proceeding shall be entitled to recover its attorneys' fees and costs.
- 5. Judgment is rendered in favor of VERSACE and against ALI HUSSEIN SALEH, an Individual, as to Count V-TRADEMARK INFRINGEMENT AND COUNTERFEITING (15USC § 1114(1)), subject to the terms of the Settlement Agreement between the parties. This Consent Judgment shall be conclusive for purposes of collateral estoppel regarding all issues of liability that have been or could have been brought on the same operative facts.
- 6. All causes of action as between VERSACE and MIRIAM SALEH are dismissed with prejudice, and any remaining causes of action as between VERSACE and ALI HUSSEIN SALEH are hereby dismissed with prejudice, subject to the terms of the Settlement Agreement between the parties.
- 7. The parties respective attorney's fees and costs incurred in connection with this action shall be borne as per the agreement of the individual parties in their Settlement Agreement.
- 8. This Court will retain continuing jurisdiction over this cause to enforce the terms of this Consent Judgment and the Settlement Agreement between the parties, and will retain continuing jurisdiction over this cause of action against ALI HUSSEIN SALEH.
- 9. All counterfeit and infringing VERSACE products seized by VERSACE and any currently in the possession, custody or control of MIRIAM SALEH and/or ALI HUSSEIN SALEH shall be destroyed under the direction of VERSACE.

- 10. All counterfeit and infringing VERSACE products currently in the possession, custody or control of MIRIAM SALEH and ALI HUSSEIN SALEH shall be surrendered to VERSACE and thereafter shall be destroyed under the direction of VERSACE.
- 11. Nothing in this Judgment shall be construed or deemed an admission by the parties, nor is there a finding by this Court, that the conduct herein was intentional, deliberate, willful, malicious or fraudulent.
- 12. This Judgment shall be deemed to have been served upon Defendants at the time of its execution by the Court.

DATED: Feb. 08 , 3007.

Levrye P. Selviance

UNITED STATES DISTRICT JUDGE

APPROVED AS TO FORM AND CONTENT.

DATED: November 3072, 2007

HANEY, BUCHANAN & PATTERSON LLP

By:

STEVE HANEY, ESQ.
Attorneys for Defendants,
MIRIAM SALEH
ALI HUSSEIN SALEH

DATED: November _____, 2007

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FELIPA REPRICHLAND

ATTORNEYS FOR PLAINTIFF GIANNI VERSACE, S.p.A.

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