1 2 3 4	Rodney W. Bell (SBN 125314); rbell@changcote.com Audrey L. Khoo (SBN 254007); akhoo@changcote.com CHANG & COTE, LLP 19138 E. Walnut Drive North, Suite 100 Rowland Heights, CA 91748 Telephone: (626) 854-2112; Facsimile: (626) 854-2120		
4	Michael K. Friedland (SBN 157217); mfriedland@kmob.com		
5	Boris Zelkind (SBN 214014); boris.zelkind@kmob.com Ali S. Razai (SBN 246922); ali.razai@kmob.com KNOBBE, MARTENS, OLSON & BEAR, LLP		
6	2040 Main Street, Fourteenth Floor		
7	Irvine, CA 92614		
8	Telephone: (949) 760-0404; Facsimile: (949) 760-9502 Attorneys for Plaintiffs, CARSON CHENG and NEW CENTURY SCI & TECH, INC.		
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10	Norbert Stahl (SBN 194091); nstahl@patentlawservice.com STAHL LAW FIRM		
11	2 Meadowsweet Lane San Carlos, CA 94070		
	Telephone: (650) 802-8800; Facsimile: (650) 802-8484		
12	Attorney for Defendants AIM SPORTS, INC., YING CUI, G. CUI, JUAN COVARRUBIAS, SHANDONG INT'L and COMBAT OPTICAL, INC.		
13	COVINCEDING, SIMMEDONG INT Land	COMBINI O	i iichil, iiic.
	IN THE UNITED STATES D	ISTRICT CO	OURT
14	FOR THE CENTRAL DISTRICT OF CALIFORNIA		
15	WESTERN DIV	ISION	
16	CARSON CHENG, an individual; NEW CENTURY SCI & TECH, INC., a) Civil Action (CV 10-03)	on No. 814 PSG (PLAx)
17	California corporation,) \ [DDADASI	EDITINAL CONCENT
18	Plaintiffs,		EDJ FINAL CONSENT NT AND PERMANENT ON
19	V.)	
1)	AIM SPORTS, INC., a California	{	
20	corporation; GUOPING CUI, an individual)	
21	corporation; GUOPING CUI, an individual also known as George Cui; YING CUI, an)	
	individual also known as Amber Cui; JUAN COVARRUBBIAS, an individual;	{	
22	QINGDAO AMBER SPORTS CO., LTD.,)	
23	a Chinese registered company; SHANDONG INTERNATIONAL	}	
	ECONOMIC & TECHNICAL	}	
24	DEVELOPMENT CO., LTD., a Chinese)	
25	registered company; COMBAT OPTICAL, INC., a California corporation; MICRO	{	
26	WORLD CORP., a California corporation	(
26	doing business as BARSKA,	}	
27	Defendants.	{	
28	AND RELATED COUNTERCLAIMS.	,)	

Plaintiffs Carson Cheng ("Cheng") and New Century Sci & Tech, Inc. ("NCS&T") (collectively "Plaintiffs") and Defendants AIM Sports, Inc. ("AIM Sports"), Guoping Cui ("G. Cui"), Ying Cui ("Y. Cui"), Shandong International Economic & Technical Development Co., Ltd. ("SIET"), Combat Optical, Inc. ("Combat Optical"), and Juan Covarrubias ("Covarrubias") (collectively "Defendants") hereby stipulate and jointly move for entry of final judgment as follows:

WHEREAS, on September 4, 2012 ("Effective Date") Plaintiffs and Defendants entered into a Definitive Agreement of Settlement and Release ("Settlement Agreement) that disposed of all claims in this Action; and

WHEREAS, pursuant to the Settlement Agreement, the parties have agreed to entry of a Final Consent Judgment and Permanent Injunction as set forth herein;

- 1. This Court has subject matter jurisdiction over this action as well as personal jurisdiction over the parties.
 - 2. Venue is proper in this judicial district.
- 3. Cheng is the owner of U.S. Design Patent No. D543,605 ("the '605 Patent"); U.S. Design Patent No. D542,880 ("the '880 Patent"); U.S. Design Patent No. D555,750 ("the '750 Patent"); U.S. Design Patent No. D555,751 ("the '751 Patent"); U.S. Design Patent No. D555,455 ("the '455 Patent"); and U.S. Design Patent No. D598,723 ("the '723 Patent").
- 4. NCS&T is the owner of U.S. Patent No. 6,754,987 ("the '987 Patent").

- 5. The claims of the '605 Patent, the '880 Patent, the '750 Patent, the '751 Patent, the '455 Patent, the '723 Patent and the '987 Patent are valid and enforceable.
- 6. The Court's summary judgment decision with respect to invalidity of the '723 Patent is vacated.
- 7. The Court's Order Granting in Part and Denying in Part Plaintiffs' Motion for Sanctions of August 23, 2011 (docket #191), and the Court's Order Fixing Attorneys' Fees of October 31, 2011 (docket #289) (collectively "Sanctions Orders") are both vacated (except to the extent already consummated).
- 8. Plaintiffs have accused Defendants of willfully infringing the '751 Patent by their manufacture, sale, marketing and/or distribution of their Tri-rail mount for the AK, AIM item no. MK001T and Combat Optical item no. MK001T ("the '751 Accused Products").
- 9. Plaintiffs have accused Defendants of willfully infringing the '880 Patent by their manufacture, sale, marketing and/or distribution of their AR15 tri-mount flat top mount, AIM item no. MT008, and the 4x30 fiber optic sight scope tri mount riser with LED flashlight 5mw laser sight, Combat Optical SKU AR-S-C5 ("the '880 Accused Products").

- 10. Plaintiffs have accused Defendants of willfully infringing the '605 Patent by their manufacture, sale, marketing and/or distribution of their SKS tactical scope mount, AIM item no. MS001T ("the '605 Accused Products").
- 11. Plaintiffs have accused Defendants of willfully infringing the '750 Patent by their manufacture, sale, marketing and/or distribution of their AR15 carry handle tri-mount, AIM item no. MT009 and AR15 M4 detachable carry handle red dot sight strobe flashlight green laser combo, Combat Optical SKU AR-RD-C3 ("the '750 Accused Products").
- 12. Plaintiffs have accused Defendants of willfully infringing the '455 Patent by their manufacture, sale, marketing and/or distribution of their AIM item no. ZJM-MK16, AIM item no. ZJM-MK1, and the MK-2 16 combo tool ("the '455 Accused Products").
- 13. Plaintiffs have accused Defendants of willfully infringing the '987 Patent by their manufacture, sale, marketing and/or distribution of their AIM item No. ZJM-ARLU magazine loader ("the '987 Accused Products").
- 14. Defendants deny all of Plaintiffs' allegations of wrongdoing, including that the subject patents were willfully infringed. The Court makes no finding of infringement.
- 15. The parties have entered into a settlement agreement to resolve their dispute. Pursuant to the Patent Act, 35 U.S.C. § 283, Defendants and each of them stipulate that Defendants, together with their officers, directors,

agents, servants, employees and affiliates thereof, representatives and attorneys, and all persons acting or attempting to act in concert or participation with them, are permanently enjoined and restrained from making, using, offering to sell, selling, or distributing within the United States, its territories and possessions, or by importing into the United States, its territories and possessions the following products (referred collectively herein as "Covered Products"):

- a. the '751 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '751 patent;
- the '880 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '880 patent;
- c. the '605 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '605 patent;
- d. the '750 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '750 patent;
- e. the '455 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '455 patent; and

- f. the '987 Accused Products or any other devices that are no more than colorably different therefrom during the life of the '987 patent.
- 16. This injunction shall take effect as of the Effective Date. The prohibition of paragraph 15 shall remain in effect as long as the respective patents remain unexpired.
- 17. Defendants shall identify to Plaintiffs all of their remaining inventory of the Covered Products and shall either destroy said products or tender them to Plaintiffs, within 15 days of the entry of this Final Consent Judgment and Permanent Injunction. Within such time, Defendants shall provide Plaintiffs with written certification under oath that all Covered Products that were within their possession or control as of the date of entry of this order have been destroyed or tendered to Plaintiffs in accordance with this provision.
- 18. Plaintiffs will not pursue infringement allegations against Defendants' customers for Covered Products sold prior to September 4, 2012.
- 19. Each party will bear its own costs and attorneys' fees for this action.
 - 20. No other or further relief is granted to any party.
- 21. The parties advise that that they affirmatively waive any and all rights to appeal this Final Consent Judgment and Permanent Injunction.

1	22. This Court retai	ns jurisdiction to monitor and enforce compliance		
2	with this Permanent Injunction.			
3	IT IS SO STIDIU ATED AND ACDEED			
4	IT IS SO STIPULATED AND AGREED			
5		Respectfully submitted,		
6		KNOBBE, MARTENS, OLSON & BEAR, LLP		
7				
8 9	Dated: September 6, 2012	By: /s/ Boris Zelkind Michael Friedland Boris Zelkind Ali S. Razai		
10				
11		Attorneys for Plaintiffs Carson Cheng and New Century Sci & Tech, Inc.		
12		STAHL LAW FIRM		
13				
14 15	Dated: <u>September 6, 2012</u>	By: /s/ Norbert Stahl Norbert Stahl		
15 16 17		Attorney for Defendants AIM Sports, Inc., Ying Cui, G. Cui, Juan Covarrubias, Shandong Int'l and Combat Optical		
18	IT IS SO ODDEDED AN	D DECDEED AND FINAL HIDCMENT IS		
	IT IS SO ORDERED AND DECREED, AND FINAL JUDGMENT IS			
19	HEREBY ENTERED			
20				
21				
22		PHILIP S. GUTIERREZ		
23	Dated: 09/07/12	Philip P. Gutierrez		
24		UNITED STATES DISTRICT COURT JUDGE		
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26				
27 28	13910645 090512			