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5 Attorneys for Plaintiff SUSAN VREELAND

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8 IN THE UNITED STATES DISTRICT COURT  
9 FOR THE NORTHERN DISTRICT OF CALIFORNIA

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11 SUSAN VREELAND, an individual,	)	Case No. CV 10 614 EMC
Plaintiff,	)	
vs.	)	<b>STIPULATION FOR JUDGMENT</b>
	)	<b>PURSUANT TO SETTLEMENT</b>
13 MacADAM/CAGE PUBLISHING, INC., a	)	<b>AGREEMENT</b>
14 California corporation,	)	
Defendant.	)	

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16 1. The above-referenced case is settled upon the terms and conditions set forth in the  
17 executed Settlement Agreement And Release ("Settlement Agreement"), a true and correct copy  
18 of which is attached hereto marked Exhibit 1 and made a part hereof.

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20 2. Pursuant to such Settlement Agreement the parties agreed that if Defendant  
MacAdam/Cage Publishing, Inc. failed to pay the entire Settlement Amount as agreed pursuant  
21 to such Settlement Agreement, Plaintiff, at her election, upon written ex parte application, may  
22 have the dismissal without prejudice set aside and judgment entered in favor of Plaintiff against  
23 Defendant MacAdam/Cage Publishing, Inc. in the amount of Sixty Thousand Dollars, less any  
24 amounts paid by or credited to Defendant MacAdam/Cage Publishing, Inc. pursuant to the  
25 Settlement Agreement, as set forth in the accompanying declaration from Plaintiff's counsel.

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27 3. The parties further agree in the event of such default of the Settlement Agreement  
that Plaintiff would be entitled to judgment granting rescission of the Publishing Agreement

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1 effective upon entry of the judgment resulting in reversion of all rights to the work *Girl in*  
2 *Hyacinth Blue* back to Plaintiff, except for such rights as my have previously been granted to  
3 third parties as authorized in the Publishing Agreement.

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5 DATED: 9/27, 2010

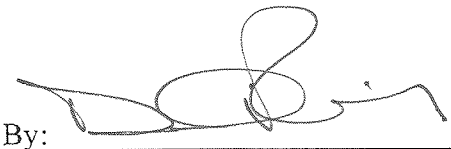
LAW OFFICES OF LAWRENCE G. TOWNSEND



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7 By: \_\_\_\_\_  
8 Lawrence G. Townsend  
9 Attorneys For Plaintiff SUSAN VREELAND

10 DATED: 4/20, 2010

MACADAM/CAGE PUBLISHING, INC.



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13 By: \_\_\_\_\_  
14 David Poindexter  
15 President

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**JUDGMENT**

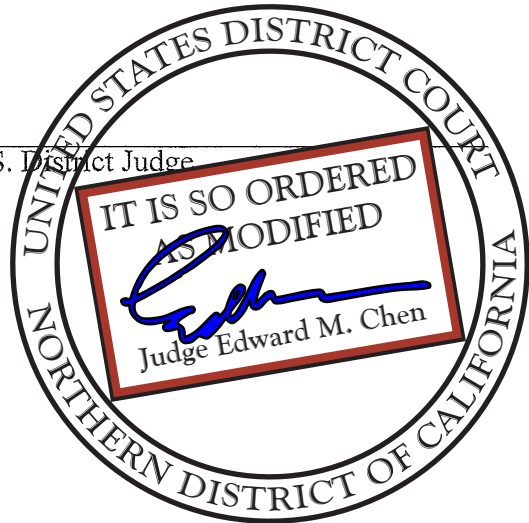
**IT IS FURTHER ORDERED ADJUDGED AND DECREED THAT** the Publishing Agreement dated March 1999, between the parties is hereby rescinded effective upon entry of the judgment resulting in reversion of all rights to the work *Girl in Hyacinth Blue* back to Plaintiff, except for such rights as my have previously been granted to third parties as authorized in the Publishing Agreement.

**IT IS FURTHER ORDERED ADJUDGED AND DECREED THAT** pursuant to the above, Plaintiff Susan Vreeland shall have judgment against Defendant MacAdam/Cage Publishing, Inc. jointly and severally, in the amount of \$ 52,000

DATED: 9/29/10

U.S. District Judge

S:\LGT-TENA\Vreeland\Stip-Judgment.wpd



# EXHIBIT 1

## SETTLEMENT AGREEMENT AND RELEASE

This settlement agreement and release (the "Agreement") is made and entered into and effective as of April 10, 2010 ("Effective Date"), by and between Plaintiff SUSAN VREELAND ("Vreeland"), a resident of San Diego County, State of California, and Defendant MACADAM/CAGE PUBLISHING, INC., a California corporation ("MacAdam/Cage Publishing"), hereinafter collectively referred to as the "PARTIES." There are no other parties to this Agreement.

### RECITALS

WHEREAS, on February 11, 2010, Vreeland instituted a lawsuit in United States District Court for the Northern District of California (CV 10-614 EMC), against MacAdam/Cage Publishing regarding, among other things, claims of Vreeland for unpaid royalties, including claims of copyright infringement and rescission of the publishing agreement between the PARTIES or their predecessors dated March 1999 (the "Publishing Agreement"), hereinafter referred to as the "Civil Action"; and

WHEREAS, MacAdam/Cage Publishing denies any liability or wrongdoing and all salient allegations contained in Vreeland's complaint; and

WHEREAS, the PARTIES hereto intend to fully release, settle, and dispose of any and all claims, demands, and disputes of any kind against each other, including, but not limited to any and all claims, demands and/or disputes of any nature heretofore or hereafter arising out of or connected with the Civil Action.

NOW THEREFORE, in consideration of the promises herein contained and intending to be legally bound, the PARTIES hereby agree as follows:

1. Dismissal of Action. Within three (3) business days of receipt of an executed copy of this Agreement from MacAdam/Cage Publishing, Inc., receipt of the initial Installment and shipment of books called for in paragraph 2, Vreeland shall cause to be executed and filed with the Court a stipulated request for dismissal of the Action without prejudice.

2. Payment/Consideration To Be Delivered By MacAdam/Cage Publishing, Inc. To Vreeland. MacAdam/Cage Publishing, Inc. represents and warrants that the amount earned by Vreeland under the Publishing Agreement through December 31, 2009 is \$41,284.43.

MacAdam/Cage Publishing, Inc. agrees to pay Vreeland Forty-Five Thousand Dollars (\$45,000, representing amounts due to Vreeland through December 31, 2009 plus accrued interest). The latter amount or such greater amount specified in the event of default shall hereafter be referred to as the "Settlement Amount," and it shall be paid as follows and upon the following terms:

a. Upon delivery of a copy of this Agreement executed by MacAdam/Cage Publishing, Inc., but no later than April 15, 2010, MacAdam/Cage Publishing, Inc. shall cause to be delivered to Susan Vreeland the following:

- i. A valid check payable to "Barbara Braun" (Vreeland's agent) in the amount of \$1,500 ("Initial Installment") and addressed to:  
Barbara Braun Associates, 7 East 14th Street, #19F, New York,  
New York 10007 ("the Braun address");
- ii. One hundred forty-four (144) copies of *Girl in Hyacinth Blue* ("the

book”) to be shipped to Susan Vreeland, 6204 Via Regla, San Diego, CA 92122 (“the Vreeland address”);

- iii. An executed Stipulation for Judgment in the form attached hereto as Exhibit A and made a part hereof by this reference (“Stipulated Judgment”) and delivered to Vreeland’s counsel, Lawrence G. Townsend, Law Offices of Lawrence G. Townsend, 455 Market Street, Suite 1910, San Francisco, CA 94105.

b. On or before May 15, 2010, and on or before June 15, 2010, MacAdam/Cage Publishing, Inc. shall cause to be delivered to Vreeland payments in the amount of \$1,500 to Barbara Braun and delivered to the Braun address. Thereafter, MacAdam/Cage Publishing, Inc. shall make 15 payments of \$2,500 beginning on July 15, 2010 and the 15th of each month thereafter, and a final (16th) payment of \$500 for a total of \$45,000 (crediting \$1,500 for the 144 books delivered, including shipping charges to be absorbed by MacAdam/Cage Publishing, Inc.). Additionally, MacAdam/Cage Publishing, Inc. agrees to pass through to Vreeland, without distributing any fee to itself, any payments it receives from third party licensees, including but not limited to payments from international sales or from any income from other subsidiary rights (“pass-through amounts”); such pass-through amounts paid to Vreeland, representing MacAdam/Cage Publishing, Inc.’s portion of said proceeds, shall be credited towards the Settlement Amount, and shall have the effect of reducing the last payment(s) of the Settlement Amount under this Agreement *pro tanto*. In the event there is a recapitalization of MacAdam/Cage Publishing, Inc. in the amount of \$250,000 or greater, MacAdam/Cage Publishing, Inc. shall commence making payments of \$4,000 per month until paid in full rather

than \$2,500 per month when required. If any of the foregoing payments or shipments shall not have been received when due and within five (5) days written notice to MacAdam/Cage Publishing, Inc. via email ([david@macadamcage.com](mailto:david@macadamcage.com)) of such failure of receipt, Vreeland will have the right to move ex parte to set aside the dismissal and pursuant to the Stipulation for Judgment (Exhibit A) and/or to have judgment entered against MacAdam/Cage Publishing, Inc. in the amount of Sixty Thousand Dollars (\$60,000), less any amounts paid by or credited to MacAdam/Cage Publishing, Inc. under this paragraph and 2.a.i., 2.1.ii, above. The additional amount over and above \$45,000 shall represent damages, attorney's fees and costs sought in the Civil Action. In the event judgment is entered as provided herein, Vreeland shall be awarded rescission of the Publishing Agreement as set forth in Exhibit A.

d. In the event the court declines to exercise continuing jurisdiction as requested in the Stipulation and Order Requesting dismissal of the Civil Action and/or the court, in the event of a claimed breach pursuant to the terms herein and request to set aside the dismissal, declines to set aside the dismissal as to MacAdam/Cage Publishing, Inc. or enter the Stipulated Judgment for reasons other than an amount sought by Vreeland is not due or owing from MacAdam/Cage Publishing, Inc., Vreeland's rights to the payment specified for breach of this agreement shall in no way be prejudiced. In such event, Vreeland may, at her election, file and serve a new action to enforce the terms of this Agreement. Venue to resolve any dispute relating to this Agreement shall be exclusively in a court of competent jurisdiction in San Francisco, California.

3. Mutual Release. Except as otherwise provided herein, and upon the execution and performance of this Agreement, the PARTIES, and each of them and on behalf of themselves



and all of their respective executors, administrators, predecessors, successors, assigns, corporations, agents, representatives, attorneys-in-fact, shareholders, subsidiaries, affiliates, partners, trustees, beneficiaries, officers, directors, employees, accountants, principals, joint venturers, and attorneys, past or present, or anyone else claiming by and through each of them, shall absolutely hereby release and forever discharge each other and each of their respective shareholders, directors, officers, members, attorneys, assigns, transferees, transferors and employees, jointly and individually, from any and all claims, demands, obligations, damages, liabilities, and any other causes of action of every kind and nature whatsoever, whether now known or unknown, which each PARTY now has, owns or holds, or at any time heretofore, had, owned or held, or could, shall or may hereafter have, own, or hold, arising out of or in any manner related to the Civil Action, except that such release and discharge shall not apply with respect to any promises, agreements, or warranties contained in this Agreement. Except as modified or agreed herein, the Publishing Agreement shall continue in force unless rescinded under the terms and conditions of this Agreement.

This is a full and final Release applying to all unknown and unanticipated damages arising out of said event or events, as well as to those now known or disclosed. In this regard, the PARTIES also waive the provisions of California Civil Code section 1542, which states as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in which if known by him must have materially affected his settlement with debtor.

In this connection, the PARTIES hereto acknowledge that they are aware that each of the PARTIES hereto may hereafter discover facts different from or in addition to those which each

PARTY or her or its attorneys now know or believe to be true with respect to the matters released in this Agreement, and agree that the releases given above shall be and remain in effect as full and complete releases of the respective claims, notwithstanding any such different or additional facts.

4. No Assignment. Each PARTY hereto represents and warrants that she or it owns the claims released herein by her or it to the extent such claims exist and has not sold, assigned or otherwise transferred such claims or any interest in them and that she or it has full power and authority to enter into this Agreement and perform its obligations hereunder.

5. Entire Agreement. The provisions herein constitute the entire agreement between the PARTIES with respect to the subject matter hereof and fully supersedes and cancels any and all prior or contemporaneous, oral, implied or written agreements, understandings and discussions between or among any of them, and all other communications relating to the subject matter hereof. No amendment or modification of any provision of this Agreement will be effective unless set forth in a document that purports to amend this Agreement and is executed by all PARTIES.

6. No Admission of Liability. Each of the PARTIES hereto agrees that this Agreement is the result of a compromise and shall not be construed as an admission by any PARTY of any fact, liability, wrongdoing, or responsibility on their part or on the part of the PARTIES' respective successors, assigns, owners, principals, officers, attorneys, and/or directors. Indeed, the PARTIES expressly deny any such liability, wrongdoing, or responsibility.

7. No Representations or Inducements. Each of the PARTIES warrants that in executing this Agreement there has been no reliance on any inducements, promises or

representations made regarding any fact relied upon in entering into this Agreement other than those expressly contained in this Agreement.

8. Costs of the Suit. Except as stated in Paragraph 2.b. of this Agreement, the PARTIES agree to each pay their own costs of suit in the Civil Action.

9. Severability. If any term, condition or provision of this Agreement is declared to be invalid or illegal for any reason by a court of competent jurisdiction, the remaining terms, conditions and provisions shall remain in full force and effect.

10. Governing Law. The validity, construction and performance of this Agreement shall be governed by the substantive laws of the State of California. Any claims hereunder will be resolved in the courts of the State of California.

11. Counterparts. This Agreement may be executed in counterparts and by facsimile, which, when taken together, shall be deemed to constitute a single original. Executed copies of this Agreement may be delivered via e mail (PDF format) and shall be treated as original signatures for purposes of this Agreement.

12. No Other Actions Pending. The PARTIES represent that no PARTY has filed any complaints or counterclaims against the other PARTY to this Agreement or any PARTY's owners, principals, officers, directors, employees, representatives, servants, companies, corporations, limited liability corporations, ventures, partnerships, subsidiaries, divisions, successors, predecessors, parents, licensees, assigns or any other affiliated persons or entities, with any federal, state or local court or agency or arbitration administrator.

13. Binding Effect. Each of the PARTIES hereto agrees that this Agreement shall be binding upon and inure to the benefit of the PARTIES and each of their respective predecessors

and former, present and future parent corporations, subsidiaries, affiliates, successors, assigns, trustees, heirs, administrators, officers, directors, attorneys, attorneys-in-fact, agents and employees without time limitation.

14. Additional Mutual Representations, Covenants and Warranties. Each of the PARTIES to this Agreement represents, covenants, warrants and agrees as follows.

a. Each of the PARTIES hereto represents and warrants that she or it (a) has been or has had the opportunity to be represented by legal counsel of her or its choosing with respect to the negotiation of this Agreement, the advisability of making the settlement provided for herein, and the advisability of executing this Agreement; and (b) has been or has had the opportunity to be advised by legal counsel of her or its choosing as to her or its respective rights and obligations with respect to this Agreement; and (c) has had the opportunity to participate in the review and drafting of this Agreement;

b. Each of the PARTIES hereto acknowledges that each has read and understood the contents of this Agreement;

c. Each PARTY to this Agreement has made such investigation of the facts pertaining to this settlement and this Agreement and of all the matters pertaining thereto as she or it deems necessary, including, without limitation, the tax and legal consequences of this transaction;

d. Each of the PARTIES hereto represents and warrants that she or it is the holder of all claims released in this Agreement and that they have not sold, assigned, transferred, conveyed or otherwise disposed, or purported to have assigned, transferred, conveyed or otherwise disposed to any person or entity any claim, demand, debt, liability, account, obligation

or cause of action herein released.

15. Attorneys' Fees And Cost Provision. In any action to prevent or remedy a breach of this Agreement, the prevailing PARTY shall recover her or its costs, including reasonable attorney's fees. Such attorneys' fees and costs include all those related to the pursuit and enforcement of any breach of or judgment stemming from any breach of this Agreement, such as, without limitation, the costs of subpoenas, depositions, transcripts and the like, witness fees, payment of reasonable attorney's fees, and similar costs related to collecting any judgment, and they will be added to, and become a part of, the amount due pursuant to this Agreement.

16. No Adverse Construction. Each of the PARTIES hereto agrees that the language of this Agreement is a product of the mutual effort of the PARTIES. This Agreement shall be construed fairly as to all PARTIES, and it shall not be construed for or against any of the PARTIES on the basis of the extent to which that PARTY participated in drafting it.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed below as of the date and year set above.

\_\_\_\_\_  
Susan Vreeland, individually

MACADAM/CAGE PUBLISHING, INC.

By: 

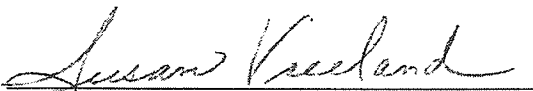
\_\_\_\_\_  
David Poindexter, President

or cause of action herein released.

15. Attorneys' Fees And Cost Provision. In any action to prevent or remedy a breach of this Agreement, the prevailing PARTY shall recover her or its costs, including reasonable attorney's fees. Such attorneys' fees and costs include all those related to the pursuit and enforcement of any breach of or judgment stemming from any breach of this Agreement, such as, without limitation, the costs of subpoenas, depositions, transcripts and the like, witness fees, payment of reasonable attorney's fees, and similar costs related to collecting any judgment, and they will be added to, and become a part of, the amount due pursuant to this Agreement.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be signed below as of the date and year set above.

  
Susan Vreeland, individually

MACADAM/CAGE PUBLISHING, INC.

By: \_\_\_\_\_  
David Poindexter, President

# EXHIBIT A

1 LAWRENCE G. TOWNSEND (SBN 88184)  
2 LAW OFFICES OF LAWRENCE G. TOWNSEND  
3 455 Market Street, 19<sup>th</sup> Floor  
4 San Francisco, California 94105  
5 Telephone: (415) 882-3288  
6 Facsimile: (415) 882-3299  
7 E-Mail: [ltownsend@owe.com](mailto:ltownsend@owe.com)

8 Attorneys for Plaintiff SUSAN VREELAND

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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

SUSAN VREELAND, an individual,  Plaintiff,	}	Case No. CV 10 614 EMC
vs.	}	<b>STIPULATION FOR JUDGMENT PURSUANT TO SETTLEMENT AGREEMENT</b>
MacADAM/CAGE PUBLISHING, INC., a California corporation,  Defendant.	}	

1. The above-referenced case is settled upon the terms and conditions set forth in the executed Settlement Agreement And Release ("Settlement Agreement"), a true and correct copy of which is attached hereto marked Exhibit 1 and made a part hereof.

2. Pursuant to such Settlement Agreement the parties agreed that if Defendant MacAdam/Cage Publishing, Inc. failed to pay the entire Settlement Amount as agreed pursuant to such Settlement Agreement, Plaintiff, at her election, upon written ex parte application, may have the dismissal without prejudice set aside and judgment entered in favor of Plaintiff against Defendant MacAdam/Cage Publishing, Inc. in the amount of Sixty Thousand Dollars, less any amounts paid by or credited to Defendant MacAdam/Cage Publishing, Inc. pursuant to the Settlement Agreement, as set forth in the accompanying declaration from Plaintiff's counsel.

3. The parties further agree in the event of such default of the Settlement Agreement that Plaintiff would be entitled to judgment granting rescission of the Publishing Agreement



1 effective upon entry of the judgment resulting in reversion of all rights to the work *Girl in*  
2 *Hyacinth Blue* back to Plaintiff, except for such rights as my have previously been granted to  
3 third parties as authorized in the Publishing Agreement.  
4

5 DATED: \_\_\_\_\_, 2010 LAW OFFICES OF LAWRENCE G. TOWNSEND

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By: \_\_\_\_\_  
Lawrence G. Townsend  
Attorneys For Plaintiff SUSAN VREELAND

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DATED: 4/20, 2010

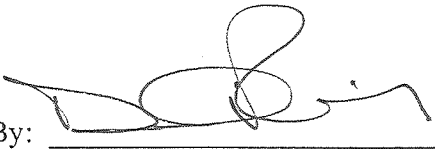
MACADAM/CAGE PUBLISHING, INC.

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By:   
\_\_\_\_\_  
David Poindexter  
President

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**JUDGMENT**

**IT IS FURTHER ORDERED ADJUDGED AND DECREED THAT** the Publishing Agreement dated March 1999, between the parties is hereby rescinded effective upon entry of the judgment resulting in reversion of all rights to the work *Girl in Hyacinth Blue* back to Plaintiff, except for such rights as my have previously been granted to third parties as authorized in the Publishing Agreement.

**IT IS FURTHER ORDERED ADJUDGED AND DECREED THAT** pursuant to the above, Plaintiff Susan Vreeland shall have judgment against Defendant MacAdam/Cage Publishing, Inc. jointly and severally, in the amount of \$ \_\_\_\_\_

DATED: \_\_\_\_\_ U.S. District Judge

S:\LGT-TENA\Vreeland\Stip-Judgment.wpd