

1 CHRISTIE, PARKER & HALE LLP
David A. Dillard (97515)
2 dad@cph.com
Gary Dukarich (188561)
3 gsd@cph.com
350 West Colorado Boulevard, Suite 500
4 Post Office Box 7068
Pasadena, CA 91109-7068
5 Telephone: (626)795-9900
Facsimile: (626)577-8800

6 IRELL & MANELLA LLP
7 Richard M. Sherman (63438)
rsherman@irell.com
8 Lisa Sharrock Glasser (223406)
lglasser@irell.com
9 840 Newport Center Drive, Suite 400
Newport Beach, California 92660-6324
10 Telephone: (949) 760-0991
Facsimile: (949) 760-5200

11
12 Attorneys for Plaintiff
RRLH, INC.

13
14 UNITED STATES DISTRICT COURT
15 CENTRAL DISTRICT OF CALIFORNIA

LOGGED

16 RRLH, INC., a California corporation,
17 Plaintiff,
18 vs.
19 GOLDEN RAIN FOUNDATION,
INC., a California Corporation,
20 GOLDEN RAIN FOUNDATION OF
LAGUNA WOODS, INC., a California
21 Corporation, PROFESSIONAL
COMMUNITY MANAGEMENT,
22 INC., a California Corporation, PCM
REALTY & MARKETING, INC., a
23 California Corporation, and
PROFESSIONAL COMMUNITY
24 MANAGEMENT OF CALIFORNIA,
INC., a California Corporation,
25 Defendants.

Case No. CV 05-5230 VBF (RZx)
[PROPOSED] ^{UBF} STIPULATED
JUDGMENT AND PERMANENT
INJUNCTION AND ORDER
THEREON

Case filed: July 19, 2005
Trial date: April 17, 2007
Judge: Hon. Valerie Baker
Fairbank

DOCKETED ON CM
MAY - 1 2007
BY [Signature] 005

Priority
Send
Enter
Closed
JS-5/JS-6
JS-2/JS-3
Scan Only

FILED
CLERK, U.S. DISTRICT COURT
APR 30 2007
CENTRAL DISTRICT OF CALIFORNIA
BY [Signature] DEPUTY

1 [PROPOSED] STIPULATED JUDGMENT

2 WHEREAS, on July 19, 2005, RRLH, INC. ("RRLH" or "Plaintiff") filed a
3 Complaint in the United States District Court, Central District of California, entitled
4 *RRLH, Inc. v. Golden Rain Foundation, Inc., et al.*, Case No. CV 05-5230 AHM;
5 (RZx) (hereinafter the "Action"), and on May 16, 2006, RRLH filed a Second
6 Amended Complaint, against Golden Rain Foundation of Laguna Woods, Inc.
7 ("GRF"), Professional Community Management, Inc. ("PCM, Inc."), Professional
8 Community Management of California, Inc. ("PCMOCI"), and PCM Realty &
9 Marketing, Inc. ("PCM Realty") (collectively, the "Defendants"). The Action
10 alleges causes of action for infringement of registered trademarks, federal false
11 designation of origin, cybersquatting, contributory trademark infringement,
12 California statutory trademark infringement, California statutory unfair trade
13 practices, California common law unfair competition, and breach of contract
14 ("Plaintiff's Claims").

15 WHEREAS, the Defendants asserted defenses to Plaintiff's Claims, including
16 without limitation, alleged affirmative defenses of laches, waiver, estoppel, bad
17 faith, parol evidence, statute of limitations, unclean hands, justification, privilege,
18 consent, acquiescence, failure to mitigate, offset, conduct of others, failure to do
19 equity, failure of performance, abandonment, equitable indemnity, lack of legal
20 duty, comparative fault, fair use, functionality, misrepresentation, failure to give
21 notice of breach, reformation, implied license, descriptiveness, no secondary
22 meaning, lack of damages, setoff, good faith, superseding cause, loss of trademark
23 rights, comparative negligence, contributory negligence, mutual mistake of material
24 fact, failure of consideration, invalidity, unenforceability, and genericness
25 ("Defendants' Defenses").

26 WHEREAS, RRLH and the Defendants, and each of them, have negotiated in
27 good faith and entered into a settlement agreement ("Settlement Agreement") that
28 resolves the entire Action;

1 WHEREAS, RRLH and the Defendants have agreed and stipulated to entry of
2 judgment based on the terms of the Settlement Agreement as provided below;

3 WHEREAS, each of RRLH and the Defendants hereby unconditionally
4 waives any right of appeal from the judgment entered in accordance with this
5 Stipulated Judgment and Permanent Injunction ("Stipulated Judgment");

6 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that:

7 1. Judgment shall be, and hereby is, entered in favor of Plaintiff RRLH on
8 the Plaintiff's Claims.

9 2. RRLH is the owner of the following valid and enforceable marks: the
10 word mark LEISURE WORLD (the "LEISURE WORLD Mark"), as evidenced by
11 United States Registration No. 809,677 (attached hereto as Exhibit A) and by
12 California Registration No. 1,710 (attached hereto as Exhibit B); the distinctive
13 LEISURE WORLD and design mark (the "Leisure World and Globe Design
14 Mark"), as evidenced by United States Registration No. 809,678 (attached hereto as
15 Exhibit C); the distinctive globe design (the "Open Globe Design Mark"), as
16 evidenced by United States Registration No. 1,657,718, (attached hereto as
17 Exhibit D); and any and all underlying trademark rights therein (collectively, the
18 "Marks").

19 3. The Defendants, individually and on behalf of their respective officers,
20 directors, employees, agents, independent contractors, representatives, sales agents,
21 vendors, contractors, attorneys at their direction, assigns, predecessors, and
22 successors-in interest, past and present, affiliates and all persons acting through,
23 under or in concert with any of them ("Defendants' Related Parties"), shall be
24 forever prohibited and enjoined from the following:

25 a. in any way USING, without RRLH's prior written permission,
26 the Marks ("USING" includes but is not limited to, registering,
27 maintaining or using domain names or website names that
28 include any of the Marks, Confusingly Similar Words,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Confusingly Similar Designs, or the Confusingly Similar Sculpture (as hereinafter defined) (collectively, the "Prohibited Items"); displaying photographs or other representations of any Prohibited Items on any website, email or other internet posting; displaying any sculptural representation of any Prohibited Items; broadcasting or televising any Prohibited Items; and displaying in any manner any written or graphic representation of any Prohibited Items.);

- b. in any way USING, without RRLH's prior written permission, any words, letters, or phrases confusingly similar to the Marks, including, without limitation, "LW," "L World," "LW Laguna Woods," or any variation thereof, alone or in conjunction with other letters, words or designs ("Confusingly Similar Words");
- c. in any way USING, from and after May 16, 2007, without RRLH's prior written permission, any designs confusingly similar to the Marks, including without limitation any globe design in conjunction with "LW," "L World," or any variation thereof; or any stylized closed or open globe designs ("Confusingly Similar Designs");
- d. in any way USING, from and after May 16, 2007, without RRLH's prior written permission, the large "Globe" sculpture located on Moulton Parkway near Gate 12 of Laguna Woods Village (the "Confusingly Similar Sculpture"); and
- e. in any way contesting the validity or enforceability of the Marks or RRLH's ownership of the Marks.

4. The Cortese family crest displayed on the Clock Tower of Clubhouse Number One has been or will, by May 16, 2007, be removed from the Clock Tower at Defendants' expense.

1 5. In addition to any of Plaintiff's civil remedies provided by law, all of
2 which are expressly retained, in the event that Defendants, Defendants' Related
3 Parties, or any of them, are found to have violated any of the terms of this Stipulated
4 Judgment, Defendants may be held in contempt, and if found to be in contempt, may
5 be punished up to the extent permitted by law.

6 6. Plaintiff agrees to provide five (5) days written electronic notice to
7 counsel for Defendants and to Defendants and an opportunity to cure to any
8 Defendant who Plaintiff believes to be in violation of the Stipulated Judgment prior
9 to enforcing its rights under this Stipulated Judgment and Permanent Injunction,

10 7. Defendants consent to the jurisdiction of the United States District
11 Court for the Central District of California, and waive any objection based upon
12 jurisdiction, venue, and forum, whether for purposes of enforcing this Stipulated
13 Judgment, the parties' Settlement Agreement, or any orders in furtherance thereof.

14 8. In any proceeding relating to the terms or enforcement of this
15 Stipulated Judgment, the prevailing party shall be entitled to an award of its
16 reasonable attorneys' fees.

17 9. Defendants collectively shall pay to Plaintiff the settlement sums
18 required by the Settlement Agreement not later than May 16, 2007.

19 10. This Stipulated Judgment shall be immediately entered by the Clerk of
20 the United States District Court and shall be enforceable according to its terms.

21 11. After this Stipulated Judgment has been entered by the Clerk of the
22 United States District Court, Plaintiff may provide a copy thereof to the clerk of the
23 Orange County Recorder's office and request its recordation.

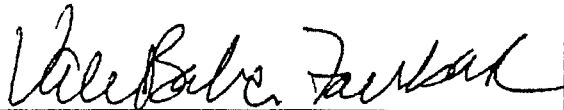
24 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the
25 complaint of RRLH is hereby dismissed with prejudice. Each party shall bear its
26 own costs and attorneys' fees. Notwithstanding the dismissal of the Action, the
27 Court shall retain continuing jurisdiction to enforce the terms of this Stipulated
28 Judgment and Permanent Injunction.

[PROPOSED] ORDER

This Stipulated Judgment is hereby entered by the Court pursuant to the terms set forth above.

SCANNED


Dated: Apr 30, 2007


Hon. Valerie Baker Fairbank
Judge, United States District Court

Approved as to form and content:

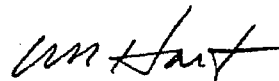
Dated: April 26, 2007

IRELL & MANELLA, LLP


Richard M. Sherman, Esq.
Attorneys for Plaintiff RRLH, Inc.

Dated: April 26, 2007

HART, KING & COLDREN


William R. Hart, Esq.
Attorneys for Defendants
Golden Rain Foundation Of Laguna
Woods, Inc., and Professional
Community Management, Inc.

Dated: April 24, 2007

JACKSON, DeMARCO, TIDUS &
PECKENPAUGH

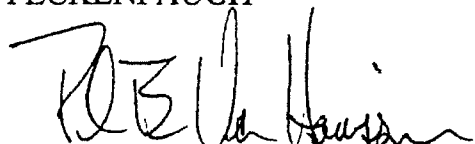

Paul E. Van Hoomissen, Esq.
Attorneys for Defendants
PCM Realty & Marketing, Inc. and
Professional Community Management
of California, Inc.

EXHIBIT A

United States Patent Office

809,677
Registered June 7, 1966

PRINCIPAL REGISTER Service Mark

Ser. No. 202,174, filed Sept. 18, 1964

LEISURE WORLD

Rossmoor Corporation (California corporation)
P.O. Box 125
Seal Beach, Calif.

For: RETIREMENT COMMUNITY DEVELOPMENT AND OPERATION, INCLUDING THE PROVISION OF HOUSING, SOCIAL, MEDICAL, RECREATIONAL, HOSPITALIZATION, AND RELIGIOUS FACILITIES, in CLASS 100.

First use Aug. 1, 1961; in commerce Oct. 1, 1961.

J. M. BREEN, *Examiner.*

Exhibit A

Page 6

EXHIBIT B



SECRETARY OF STATE

Service Mark Reg. No. 1710 Class No. Int. 42 Renewal No. 6605
CERTIFICATE OF RENEWAL OF SERVICE MARK

I, **BILL JONES**, Secretary of State of the State of California, hereby certify:

That an application for renewal has been filed in this office for the **SERVICE MARK** described below:

Name of Applicant: RRLH, Inc
Business Address: 218 Marigold Ave. Corona Del Mar, CA 92625
Date First Used in California: August 1, 1961
Date First Used Anywhere: August 1, 1961
Description of Service Mark: LEISURE WORLD
Description of Services with Which the Service Mark is used: Services: Retirement community development and operation including provision of housing, social, medical, recreational, hospitalization and religious facilities.
Date of Registration: May 3, 1982
Term of Registration Extends to and Includes: May 3, 2012

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 22nd day of April, 2002



Bill Jones
BILL JONES
Secretary of State

Exhibit B
Page 7

EXHIBIT C

United States Patent Office

809,678
Registered June 7, 1966

PRINCIPAL REGISTER Service Mark

SCANNED

Ser. No. 202,175, filed Sept. 18, 1964



Rossmoor Corporation (California corporation)
P.O. Box 125
Seal Beach, Calif.

For: RETIREMENT COMMUNITY DEVELOPMENT AND OPERATION, INCLUDING THE PROVISION OF HOUSING, SOCIAL, MEDICAL, RECREATIONAL, HOSPITALIZATION, AND RELIGIOUS FACILITIES, in CLASS 100.

First use Aug. 1, 1961; in commerce Oct. 1, 1961.

J. M. BREEN, *Examiner.*

Exhibit C

Page 8

EXHIBIT D

Int. Cl.: 42

Prior U.S. Cl.: 100

United States Patent and Trademark Office

Reg. No. 1,657,718

Registered Sep. 17, 1991

SCANNED

**SERVICE MARK
PRINCIPAL REGISTER**



RRLH, INC. (CALIFORNIA CORPORATION)
24441 CALLE SONORA
LAGUNA HILLS, CA 92653

THE MARK CONSISTS OF A FANCIFUL
REPRESENTATION OF A GLOBE WITH
BIRDS.

FOR: CONGREGATE CARE FACILITY
SERVICES, IN CLASS 42 (U.S. CL. 100).

SER. NO. 74-060,170, FILED 5-18-1990.

FIRST USE 9-0-1987; IN COMMERCE
9-0-1987.

MARTIN MARKS, EXAMINING ATTORNEY

Exhibit D

Page 9