

FILED

JUL 21 2006

KIM TURNER
Court Executive Officer
MARIN COUNTY SUPERIOR COURT
By: K. Main, Deputy

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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF MARIN**

PATTY FARANTINO, individually and on
behalf of other members of the general public
similarly situated,

Plaintiff,

vs.

AMERICAN GREETINGS CORPORATION,
CARLTON CARDS RETAIL, INC., and
DOES 1 through 50, inclusive,

Defendant

NO. CV-05-0517

~~[PROPOSED]~~

**FINAL JUDGMENT AND ORDER OF
DISMISSAL WITH PREJUDICE**

[CLASS ACTION]

Date: July 21, 2006

Time: 9:00 a.m.

Dept: H

Hon. John A. Sutro, Jr.

Pursuant to the Preliminary Approval Order dated March 3, 2006, this matter having come before the Court for final approval of the Settlement set forth in the Memorandum of Understanding, and following due and adequate notice to Plaintiff, and having considered all papers filed and proceedings had herein, IT IS HEREBY ORDERED as follows:

1. This order incorporates by reference the definitions set forth in the Memorandum of Understanding, and all terms defined therein shall have the same meaning in this order.

2. On March 3, 2006, Named Plaintiff's application for an order preliminarily approving the Memorandum of Understanding came on for hearing. After reviewing the Memorandum of Understanding, including the submitted exhibits, and considering the oral argument of counsel at the hearing, the Court issued a Preliminary Approval Order, conditionally

1 approving the settlement, including the submitted Notice and Claim Form.

2 3. In accordance with the Memorandum of Understanding and the Preliminary
3 Approval Order, a Notice and Claim Form were distributed to the Plaintiffs who could be
4 identified through reasonable effort. The Notice provided due and adequate notice of the
5 proceedings, including the Settlement, and of each Plaintiff's right and opportunity to opt out,
6 object to or participate in the Settlement. The Notice fully satisfied the requirements of due
7 process, including any requirements of the California Code of Civil Procedure, the California
8 Constitution and the United States Constitution. No Plaintiffs objected to the Settlement. No
9 Plaintiffs excluded themselves from the Settlement. The Court determines that this Final
10 Judgment binds any and all Plaintiffs who did not timely exclude themselves from the Settlement,
11 if any.

11 4. The Court approves the Settlement and finds that it is, in all respects, fair, adequate
12 and reasonable. The Court specifically finds that the Memorandum of Understanding was
13 reached after intensive, serious, non-collusive and arms-length negotiations. In finally approving
14 the settlement, the Court considered the rough approximation of each Settlement Class Member's
15 total recovery in light of Carlton Cards Retail, Inc.'s potential liability and the fact that a settling
16 party should pay less in settlement than as a result of a finding of liability at trial. The Court finds
17 that the Memorandum of Understanding has no obvious deficiencies and does not improperly
18 grant preferential treatment to any individual Class Member.

18 5. The Court finds that the settlement is in good faith and constitutes a fair,
19 reasonable and adequate compromise of the Released Claims against the Released Parties. As of
20 the date the judgment becomes final and non-appealable, each and every Released Claim of each
21 and every Class Member is and shall be deemed to be conclusively released as against the
22 Released Parties. As of the date the judgment becomes final and non-appealable, all Class
23 Members are forever barred and enjoined from prosecuting the Released Claims against the
24 Released Parties.

24 6. The Court hereby approves Class Counsel's Fees and Costs Award in the amount
25 of \$467,278.20, consisting of \$462,000 as compensation for attorney time and \$5,278.20 for costs
26 and expenses incurred. The Court hereby approves the Incentive Award of \$5,000 to Named
27 Plaintiff Patty Farantino.

27 7. The settlement is not an admission by Carlton Cards Retail, Inc. or any of the
28 Released Parties, nor is this Final Judgment a finding, of the validity of any claims in this

1 Lawsuit. Neither the Memorandum of Understanding, this Final Judgment or any documents
2 referred to therein or herein, nor any action taken to implement the Memorandum of
3 Understanding, may be construed as or used as an admission by or against The Children's Place
4 Retail Stores, Inc.'s or any of the Released Parties of any fault, wrongdoing or liability
5 whatsoever. Notwithstanding these restrictions, any of the Released Parties may file this Final
6 Judgment, the Memorandum of Understanding or any other papers and records on file in this
7 Lawsuit as evidence of the Settlement to support a defense of res judicata, collateral estoppel,
8 release or other theory or claim of issue preclusion or similar defense as to the Released Claims.

8 8. The Court hereby dismisses the Lawsuit on the merits and with prejudice against
9 the Named Plaintiff and all Class Members in favor of Carlton Cards Retail, Inc. and without
10 costs or attorneys' fees to any of the Parties or against any other party, except as provided for in
11 the Memorandum of Understanding. Without affecting the finality of this Final Judgment in any
12 way, this Court hereby retains continuing jurisdiction over the interpretation, implementation and
13 enforcement of the Memorandum of Understanding, including the claims process established
14 therein.

14 9. If the Settlement does not become final and effective in accordance with the terms
15 of the Memorandum of Understanding, resulting in the return and/or retention of the Settlement
16 Sum to Carlton Cards Retail, Inc. consistent with the terms of the Memorandum of
17 Understanding, then this Final Judgment and any and all orders entered in connection herewith
18 shall be rendered null and void and shall be vacated. IT IS SO ORDERED.

19
20 Dated: JUL 21 2006

JOHN A. SUTRO, JR.
HON. JOHN A. SUTRO
SUPERIOR COURT JUDGE