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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF SAN BERNARDINO
11 RANCHO CUCAMONGA DISTRICT
12

13 THE PEOPLE OF THE STATE OF
14 CALIFORNIA ex rel. EDMUND G.
15 BROWN JR., Attorney General of the State
of California,

16 Plaintiff,

17 v.

18 CALIFORNIA ORGANIZATION OF
19 POLICE AND SHERIFFS, a mutual benefit
nonprofit corporation; CIVIC
20 DEVELOPMENT GROUP, LLC, a limited
liability corporation; RAMBRET, INC., a
21 corporation; GREG F. SAWTELLE,
individually and as owner of RAMBRET
22 INC.; MONTY D. HOLDEN; ED GRAY;
GREGG PASSAMA; SCOTT PASCH,
23 individually and as corporate officer of
CIVIC DEVELOPMENT GROUP, LLC;
24 DAVID KEEZER, individually and as
corporate officer of CIVIC
25 DEVELOPMENT GROUP, LLC; DOES 1-
100, inclusive.

26 Defendants.
27
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CIVRS 905865.

SETTLEMENT AGREEMENT
BETWEEN DEFENDANT MONTY
HOLDEN AND PLAINTIFF

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3 1. Parties. This Settlement Agreement and Order are entered into by, between, and
4 among the settling parties, Plaintiff, the People of the State of California ("the People"), by
5 Edmund G. Brown Jr., Attorney General of the State of California ("Attorney General") and
6 Defendant Monty Holden (hereinafter, collectively, also referred to as "Settling defendants").

7 2. Recitals.

8 2.1 Defendant Monty Holden, (hereinafter "HOLDEN"), held various positions of
9 authority and control over COPS, serving as chief executive officer from 2000 to 2008.

10 2.2 In May of 2009, the Attorney General, on behalf of the People, sued HOLDEN
11 in the underlying action for conspiracy to defraud donors, deceptive and misleading charitable
12 solicitations, for breach of fiduciary duty and charitable trust, negligence, negligence per se, for
13 unfair competition, and for filing and distributing false and incomplete records.

14 2.3 HOLDEN denies any wrongdoing.

15 2.4 The Settling Parties, each of whom, desiring to avoid the expense, uncertainty,
16 and inconvenience of further litigation in this case, state all claims alleged against the Defendants
17 arising out of the Action have been settled, and that the Court may enter the proposed Order
18 below on the facts, terms, and conditions stated herein.

19 3. Settlement Terms-Monetary.

20 3.1 HOLDEN agrees to settle with Plaintiff for \$25,000 (twenty-five thousand
21 dollars). The settlement payment shall be retained by the Attorney General for attorneys' fees
22 and costs incurred by the Charitable Trusts Section, pursuant to Government Code sections 12598
23 and 12586.2, and shall be used exclusively by the Charitable Trusts Section for the administration
24 of the Attorney General's charitable trust enforcement responsibilities.

25 3.2 The \$25,000 shall be paid by HOLDEN or before December 31, 2010. All payments
26 pursuant to this paragraph of the Settlement Agreement shall be made payable to the California
27 Department of Justice and shall be delivered to the Attorney General's Office at 300 S. Spring
28

1 Street, Los Angeles, California 90013, to the attention of Deputy Attorney General Tania M.
2 Ibanez.

3 4. Settlement Terms-Non-monetary

4 4.1 HOLDEN is permanently enjoined from serving as a director or an officer of
5 any California charitable organization/entity/foundation/group or charitable trust.

6 4.2 HOLDEN is permanently enjoined from exercising any control, or be in a
7 position to exercise any control, over any assets of any California charitable
8 organization/entity/foundation/ or charitable trust.

9 4.3 HOLDEN is permanently enjoined from founding any charitable organization
10 in California.

11 4.5 Cooperation: HOLDEN will fully cooperate and assist the Attorney General in
12 his prosecution of the Action against the remaining defendants in *People v. California*
13 *Organization of Police and Sheriffs* CIVRS 905865 . Such cooperation shall include, without
14 limitation:

- 15
- 16 a. Providing promptly and without the necessity for formal discovery
17 request, any and all information and documents reasonably available to
18 HOLDEN to the Attorney General in their investigation of the facts,
19 events and occurrences at issue in the Action.
 - 20 b. Testifying fully and truthfully regarding all events, occurrences,
21 transactions and facts known to HOLDEN relevant to or discoverable in
22 the Action.
 - 23 c. Upon reasonable prior notice by Plaintiff's counsel, HOLDEN will be
24 available to testify at deposition, court hearings and trial, without the
25 necessity of subpoena, court order, or the payment of witness-related
26 fees.
 - 27 d. Permitting direct communication between HOLDEN and the Attorney
28 General to expedite this cooperation and assistance (with the consent of
HOLDEN's attorney attached hereto) to expedite this cooperation and
assistance.

25 5. General Provisions

26 5.1 Upon the successful completion of all terms of this Agreement, the Settling
27 Parties hereby release and discharge each other party, his/her/its employees, officers, agents,
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1 successors and assigns from all civil liability, civil claims, and civil damages known to them that
2 relate to, or arise from, the allegations set forth in the Complaint. The release and discharge set
3 forth in this paragraph is binding only on the parties to this Settlement Agreement. Further, this
4 release and discharge shall not be construed to limit or prevent any party's ability to enforce the
5 terms of this Agreement.
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7 5.2 This Settlement Agreement shall not constitute an admission or finding of any
8 wrongdoing, fault, violation of law, or liability of any of the Defendant.

9 5.3 This Settlement Agreement contains the entire agreement and understanding
10 among the Settling Parties concerning the subject matter of the Action and supersedes all other
11 agreements of any kind concerning the subject matter of the Action. Each of the undersigned
12 warrants that no promise or inducement has been offered to them except as set forth herein and
13 that the Settlement Agreement is executed without reliance upon any statement or representation
14 by any persons or parties, or their representatives, concerning the nature and extent of injuries
15 and/or damages and/or legal liability herein.
16

17 5.4 Each of the Settling Parties acknowledges that he, she, or it has read the entire
18 Settlement Agreement and understands it and, in addition, has had an opportunity to discuss the
19 content with an attorney and make whatever investigation or inquiry that party may deem
20 necessary or desirable in connection with the subject matter of the Agreement.
21

22 5.5 Each of the parties warrants that he, she, or it is legally competent to execute
23 the Settlement Agreement. Any person executing this Settlement Agreement on behalf of any
24 Settling Party does hereby personally represent and warrant to the other parties that he/she/it has
25 the authority to execute this Settlement Agreement on behalf of, and to fully bind, that party.
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1 5.6 This Settlement Agreement shall be binding upon the heirs, devisees, executors,
2 affiliates, administrators, successors, assigns, officers, directors, trustees, executors, agents and
3 employees of each and every one of the Settling Parties.

4 5.7 This Settlement Agreement is a product of bargained-for, arms-length
5 negotiations among the Settling Parties and their counsel. No party shall be considered the author
6 of this Agreement.

7 5.8 This Settlement Agreement and all rights and obligations arising out of it shall
8 be governed and construed in accordance with the laws of the State of California.

9 5.9 This Settlement Agreement may be executed in separate counterparts, each of
10 which shall be deemed an original, and said counterparts shall together constitute one Settlement
11 Agreement, binding all parties hereto notwithstanding that all of the parties are not signatory to
12 the original or same counterpart. All original signatures shall be delivered to Tania M. Ibanez,
13 Office of the Attorney General, 300 S. Spring Street, Suite 1702, Los Angeles, CA 90013.
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17 IT IS SO AGREED.

18 DATE:

19 12-1-2010

EDMUND G. BROWN JR, Attorney General

20 By 

TANIA M. IBANEZ, Deputy Attorney General
Attorneys for the People of the State of California

21
22
23 DATE:

24 10-26-2010

25 By 

MONTY HOLDEN