

1 **SETTLEMENT AGREEMENT BETWEEN PLAINTIFF AND DEFENDANTS**
2 **AMERICAN ASSOCIATION OF POLICE OFFICERS, INC., POLICE PROTECTIVE**
3 **FUND, INC., JUNIOR POLICE ACADEMY, DAVID DIERKS**
4

5 1. Parties. This Settlement Agreement is entered into by, between, and among the
6 settling parties, Plaintiff, the People of the State of California (“the People”), by Edmund G.
7 Brown Jr., Attorney General of the State of California (“Attorney General”) and Defendants
8 American Association of Police Officers, Inc. (“AAPO”), Police Protective Fund, Inc. (“PPF”),
9 Junior Police Academy (“JPA”), David Dierks (“DIERKS”), and Philip LeConte (“LECONTE”)
10 (hereinafter, collectively, also referred to as “the Settling Defendants”). The parties to this
11 Settlement Agreement are collectively also referred to as “the Settling Parties.”

12 2. Recitals.

13 2.1 AAPO is a Texas nonprofit corporation, PPF is a North Carolina nonprofit
14 corporation, and JPA is a Texas nonprofit corporation. AAPO, PPF, and JPA conducted
15 charitable solicitation campaigns targeting the public at large. From 2005 to 2008, DIERKS
16 acted as Director and Chief Operating Officer of AAPO, PPF, and JPA. From 2005 to 2008,
17 LECONTE acted as Director and Chief Executive Officer of AAPO, PPF, and JPA.

18 2.2 In May of 2009, the Attorney General, on behalf of the People, sued AAPO,
19 PPF, JPA, DIERKS, and LECONTE in the underlying action (hereinafter the “Action”) asserting
20 various causes of action related to their solicitation practices.

21 2.3 The Settling Defendants deny any wrongdoing.

22 2.4 The Settling Parties, each of whom, desiring to avoid the expense, uncertainty,
23 and inconvenience of further litigation in this case, state all claims alleged against the Settling
24 Defendants arising out of the Action have been settled.

25 3. Settlement Terms-Monetary.

26 3.1 The Settling Defendants agree to settle with Plaintiff for \$ 60,000 (sixty thousand
27 dollars). The settlement payment shall be retained by the Attorney General for attorneys’ fees
28

1 and costs incurred by the Charitable Trusts Section, pursuant to Government Code sections 12598
2 and 12586.2, and shall be used exclusively by the Charitable Trusts Section for the administration
3 of the Attorney General's charitable trust enforcement responsibilities.

4 3.2 The Settling Defendants shall pay the \$ 60,000 settlement in installments. The
5 Settling Defendants will pay \$ 20,000 within thirty (30) days of execution of the Settlement
6 Agreement. Settling Defendants will pay \$ 20,000 on or before August 13, 2011. Settling
7 Defendants will pay \$ 20,000 on or before August 13, 2012. All payments pursuant to this
8 paragraph of the Settlement Agreement shall be made payable to the California Department of
9 Justice and shall be delivered to the Attorney General's Office at 300 S. Spring Street, Los
10 Angeles, California 90013, to the attention of Deputy Attorney General Tania M. Ibanez. If the
11 Settling Defendants fail to make any of the aforementioned payments, the Attorney General shall
12 notify the Settling Defendants in writing, notification to be sent to the law office of Murphy,
13 Rosen & Meylan to the attention of Paul D. Murphy, Esq. The Settling Defendants shall have 10
14 days from receipt of said notice to Mr. Murphy to cure the default. The Settling Defendants shall
15 execute the Stipulation for Entry of Judgment attached hereto as Exhibit A. In the event of such a
16 default, and the failure to cure said default, the Attorney General's Office may file and recover
17 the amount set forth in the Stipulated Judgment (\$75,000 (seventy-five thousand dollars)) minus
18 any payments defendants have made in compliance with the Settlement Agreement.
19
20
21

22 4. Settlement Terms - Non-monetary

23 4.1 The Settling Defendants agree to cease all current and future solicitation in the State
24 of California.

25 4.2 The agreement not to solicit in the State of California extends to any nonprofit entity
26 in which Dierks and/or LeConte are corporate officers, directors, employees, and/or agents, and to
27
28

1 any subsequent entity resulting from the consolidation or merger of AAPO, JPA and PPF, or to
2 any fictitious business names currently or in the future to be used by AAPO, PPF or JPA.

3 4.3 The agreement not to solicit set forth above in sections 4.1 and 4.2 will not be deemed
4 violated if California residents donate online, on their own initiative, without any solicitation
5 directed to California residents by telephone, email, or other correspondence or communication
6 from Settling Defendants.
7

8 4.4 The Settling Defendants shall not sell, lease or give away their donor list of California
9 individuals who previously donated to AAPO, PPF or JPA, or who were previously solicited by
10 AAPO, PPF, or JPA.

11 4.5 The Settling Defendants agree not to maintain any corporate offices in California,
12 although Settling Defendants may provide charitable services to California residents.
13

14 5. General Provisions

15 5.1 Upon the successful completion of all terms of this Agreement, the Settling Parties
16 hereby release and discharge each other party, his/her/its employees, officers, agents, successors
17 and assigns from all civil liability, civil claims, and civil damages known to them that relate to, or
18 arise from, the allegations set forth in the Complaint. The release and discharge set forth in this
19 paragraph is binding only on the parties to this Settlement Agreement. Further, this release and
20 discharge shall not be construed to limit or prevent any party's ability to enforce the terms of this
21 Agreement.

22 5.2 This Settlement Agreement shall not constitute an admission or finding of any
23 wrongdoing, fault, violation of law, or liability of any of the Settling Defendants.

24 5.3 This Settlement Agreement contains the entire agreement and understanding among
25 the Settling Parties concerning the subject matter of the Action and supersedes all other
26 agreements of any kind concerning the subject matter of the Action. Each of the undersigned
27 warrants that no promise or inducement has been offered to them except as set forth herein and
28

1 that the Settlement Agreement is executed without reliance upon any statement or representation
2 by any persons or parties, or their representatives, concerning the nature and extent of injuries
3 and/or damages and/or legal liability herein.

4 5.4 Each of the Settling Parties acknowledges that he, she, or it has read the entire
5 Settlement Agreement and understands it and, in addition, has had an opportunity to discuss the
6 content with an attorney and make whatever investigation or inquiry that party may deem
7 necessary or desirable in connection with the subject matter of the Agreement.

8 5.5 Each of the parties warrants that he, she, or it is legally competent to execute the
9 Settlement Agreement. Any person executing this Settlement Agreement on behalf of any
10 Settling Party does hereby personally represent and warrant to the other parties that he/she/it has
11 the authority to execute this Settlement Agreement on behalf of, and to fully bind, that party.

12 5.6 This Settlement Agreement shall be binding upon the affiliates, successors, and
13 assigns of AAPO, PPF, and JPA.

14 5.7 This Settlement Agreement is a product of bargained-for, arms-length negotiations
15 among the Settling Parties and their counsel. No party shall be considered the author of this
16 Agreement.

17 5.8 This Settlement Agreement and all rights and obligations arising out of it shall be
18 governed and construed in accordance with the laws of the State of California.

19 5.9 This Settlement Agreement may be executed in separate counterparts, each of which
20 shall be deemed an original, and said counterparts shall together constitute one Settlement
21 Agreement, binding all parties hereto notwithstanding that all of the parties are not signatory to
22 the original or same counterpart. All original signatures shall be delivered to and/or retained by
23 Tania M. Ibanez, Office of the Attorney General, 300 S. Spring Street, Suite 1702, Los Angeles,
24 CA 90013.

25 ///

26 ///

27 ///

28

1
2 **IT IS SO AGREED.**

3 DATE:

EDMUND G. BROWN JR. Attorney General

4
5 *9/1/2010*

6 By 

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

7
8 DATE:

AMERICAN ASSOCIATION OF POLICE OFFICERS,
INC.

9
10 *04 Aug. 2010*

11 By 

DAVID DIERKS, Director and COO

12
13 DATE:

POLICE PROTECTIVE FUND, INC.

14
15 *04 Aug. 2010*

16 By 

DAVID DIERKS, Director and COO

17
18 DATE:

JUNIOR POLICE ACADEMY

19
20 *04 Aug. 2010*

21 By 

DAVID DIERKS, Director and COO

22
23 DATE:

DAVID DIERKS, an individual

24
25 *13 July 2010*

26 By 

DAVID DIERKS

27
28 DATE:

PHILIP LECONTE, an individual

July 14, 2010

By 

PHILIP LECONTE