

SETTLEMENT AGREEMENT BETWEEN ROZITA HAIIMPOUR AND PROPERTY
MANAGEMENT ASSOCIATES, INC.

ROZITA HAIIMPOUR (“HAIIMPOUR”) AND PROPERTY MANAGEMENT ASSOCIATES, INC., (“PMA”), (HAIIMPOUR and PMA, collectively, “Parties”) enter into this agreement (“Settlement Agreement”) to settle any and all claim HAIIMPOUR has against PMA, as incorporated in its Sixty-Day Notice Intent to Sue for Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (“Lawsuit”), as between the Parties, as follows:

1.0 **Introduction**

1.1 HAIIMPOUR alleges that she has been personally affected by the alleged exposure of tobacco smoke within PMA property. HAIIMPOUR has brought this case in the interest of public, alleging that she has been exposed to tobacco smoke in violation of the Safe Drinking Water and Toxic Enforcement Act of 1986. PMA denies HAIIMPOUR’S allegations.

1.2 HAIIMPOUR alleges that PMA is a company that employs ten or more persons.

1.3 HAIIMPOUR alleges that PMA during the course of its business has exposed its tenants, its employees to tobacco smoke (which is known to the state of California to cause cancer and reproductive toxicity) without giving any warnings. PMA disputes this claim.

1.4 Tobacco smoke is listed in the regulations promulgated under the California Safe Drinking Water and Toxic Enforcement Act (Health & Saf. Code, §§ 25249.5, et seq.) (“Proposition 65”) as a chemical known to the State of California to cause cancer and or reproductive harm.

1.5 HAIIMPOUR contends that on August 1, 2008, HAIIMPOUR served public enforcement agencies and PMA with a document entitled “60-Day Notice of Intent to Sue Under Health & Safety Code Section 25249.6” (“Notice”). The Notice alleged that PMA violated Proposition 65 by failing to warn its tenants, its employees and other persons in California who allegedly were exposed to tobacco smoke.

1.6 The Parties enter into this Settlement Agreement for settlement of certain disputed claims between the Parties as alleged in the HAIIMPOUR’S Notice in order to avoid prolonged and costly litigation between the Parties. HAIIMPOUR enters into this settlement in order to protect Californians from further exposure to tobacco smoke without warnings.

1.7 By execution of this Settlement Agreement, the Parties admit no facts or conclusions of law, including those regarding any violation of Proposition 65, or the service of notice prior to filing suit thereunder, or any other statutory, regulatory, common law, or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law. Nothing in this Settlement Agreement, nor compliance with its terms, shall constitute or be construed as evidence of an admission or evidence of fault, wrongdoing, or liability by PMA, its officers, directors, employees, or parent, subsidiary or affiliated corporations, in any administrative or judicial proceeding or litigation. Except for the cause of action and allegations settled and compromised, nothing in this Settlement Agreement shall prejudice, waive, or impair any right, remedy, argument, or defense that HAIIMPOUR or PMA may have against one another in any other pending legal proceeding involving allegations unrelated to those alleged in the Lawsuit.

2.0 Release

2.1 Upon judicial approval of the settlement between the Parties, HAIIMPOUR releases and forever discharges PMA and its affiliates, subsidiary and parent corporations, or their affiliated companies, and each of their officers, directors, agents, servants, partners, stockholders, attorneys, employees, representatives, and each of their respective successors and assigns (collectively, the "Released Parties") from all rights, claims, causes of action, damages, suits, penalties, liabilities, injunctive relief, declaratory relief, and attorney fees, costs and expenses related to or arising out of the facts and claims alleged in the Lawsuit. Without limiting the foregoing, the Parties intend the scope of this release to cover all Claims Covered (as defined in Section 3.1 below) as to the Released Parties put in controversy by the Lawsuit.

2.2 HAIIMPOUR is aware of the contents of Section 1542 of the Civil Code. HAIIMPOUR acknowledges that the claims released in this Lawsuit include known and unknown claims and hereby waives any protections provided for by Section 1542 of the Civil Code. Section 1542 of the Civil Code provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

HAIIMPOUR expressly waives all rights and benefits conferred upon it by Civil Code Section 1542.

2.3 Within fifteen (15) days of judicial approval of this settlement between the parties, HAIIMPOUR shall request from the presiding court in the Lawsuit a dismissal with prejudice of her claims as against PMA.

3.0 Claims Covered

3.1 This Settlement Agreement is a final and binding resolution between the HAIIMPOUR and the Released Parties of the following claims and causes of action: All claims, known or unknown, which were or could have been asserted in the Lawsuit arising out of allegations that the Released Parties violated Proposition 65 or any other law because of Released Parties' operations.

4.0 Defendant's Duties

4.1 Posting of Warnings. Within thirty days after entering into this Settlement Agreement, PMA agrees to post appropriate and conspicuous warnings at the entrance of its locations that PMA manages or owns [unless smoking is not allowed anywhere inside any of its location(s)]. The warnings shall use similar or identical language as follows:

WARNING:

This area may contain ~~to~~ Tobacco smoke. Tobacco Smoke is known to the State of California to Cause Cancer and Birth Defects or Other Reproductive Harm.

5.0 Payments

5.1 Defendants' Payment of Civil Penalties. Within 15 days following the execution of the Settlement Agreement, PMA shall pay a total amount of \$1000.00 as civil penalties, apportioned pursuant to California Health and Safety Code section 25249.12.

5.2 Payment to Yeroushalmi & Associates. Within 15 days following the execution of the Settlement Agreement, PMA shall pay \$54,000.00 to HAIIMPOUR for its attorney fees and costs. Payment shall be made to "Yeroushalmi & Associates." All other claims for attorneys' fees and costs pertaining to this Lawsuit are hereby and forever waived by the Parties.

6.0 Authority to Enter Into Settlement Agreement

6.1 HAIIMPOUR represents that the signatory to this Settlement Agreement has the authority to enter into this Settlement Agreement on behalf of HAIIMPOUR and to bind legally HAIIMPOUR.

6.2 PMA represents that the signatories to this Settlement Agreement have the authority to enter into this Settlement Agreement on behalf of PMA and to bind legally PMA.

7.0 Attorney General Review

7.1 Consistent with section 3003(a) of Title 11 of the California Code of Regulations, HAIIMPOUR shall submit this Settlement Agreement to the Attorney General's Office for review.

8.0 Execution in Counterparts and Facsimile

8.1 This Settlement Agreement may be executed in counterparts, which taken together shall be deemed to constitute the same document. A facsimile or .pdf signature shall be as valid as the original.

9.0 Entire Agreement

9.1 This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments, and understandings. No other agreements, oral or otherwise, exist to bind any of the Parties.

10.0 Modification of Settlement Agreement

10.1 Any modification to this Settlement Agreement shall be in writing by the Parties.

11.0 Application of Settlement Agreement

11.1 This Settlement Agreement shall apply to, be binding upon, and inure to the benefit of, HAIIMPOUR, the Released Parties identified above, and their respective successors and assigns.

12.0 Severability

12.1 In the event that a court of competent jurisdiction finds unenforceable any of the provision of this Settlement, such finding shall not affect adversely the validity of the enforceable provisions.

13.0 Governing Law

13.1 The laws of the State of California shall govern the terms of this Settlement Agreement.

14.0 Notification Requirements

14.1 Any notice required or permitted hereunder shall be effective only if in writing and delivered in person or sent by telecopy, certified or registered mail return receipt requested, or traceable overnight delivery service, to the following designees:

15.0 No Assignment of Claims

15.1 The Parties represent and warrant that they are the owners of the claims and/or causes of actions released and that such claims and/or causes of action have not been, nor will be, assigned, transferred, or hypothecated, whether voluntarily or involuntarily, by subrogation, operation of law or otherwise, to any other individual or entity.

16.0 Joint Tortfeasors

16.1 The Parties and their respective counsel verify by executing this Settlement Agreement that no other lawsuit or claim to the best of their knowledge has been filed or made involving or related to the subject matter of the Lawsuit against any potential party not already a party to the Lawsuit and that no other demand or claim for money has been made, or will be made, involving or related to the subject matter of the Lawsuit, against any potentially responsible party other than the parties already named to the Lawsuit as of the date of the execution of this Settlement Agreement.

17.0 Investigation and Benefit of Counsel

17.1 The Parties acknowledge that by entering into this Settlement Agreement, they (i) have been guided and advised by their own independently selected legal counsel and other advisors and (ii) enter into this Settlement Agreement on the basis of their own investigation of the facts.

18.0 Complete Defense

18.1 The Settlement Agreement may be asserted as a complete defense to any claim and/or cause of action that may be brought relating to the released claims and/or causes of action as set forth above and/or arising from the Lawsuit or the facts and circumstances giving rise to the Lawsuit.

19.0 **Enforceability**

19.1 This Settlement Agreement is executed pursuant to California Evidence Code, section 1123, and is admissible into evidence solely to enforce its terms pursuant to California Code of Civil Procedure, section 664.6.

20.0 **Headings**

20.1 Any headings or titles in the RELEASE are for organizational purposes only and do not alter the meaning of any of its provisions.

For HAIMPOUR:

Reuben Yeroushalmi
Yeroushalmi & Associates
3700 Wilshire Blvd., Suite 480
Los Angeles, CA 90010
Fax: 213.382.3430

For PMA:

Philip W. Vineyard, Esq.
JAMPOL ZIMET SKANE & WILCOX LLP
800 Wilshire Boulevard, Suite 1400
Los Angeles, California 90017
Fax: 213.689.8501

Any party may change its designee(s) for purposes of notification by providing notice of such change pursuant to this section.

Dated: 6-4-09

By: 
ROZITA HAIMPOUR

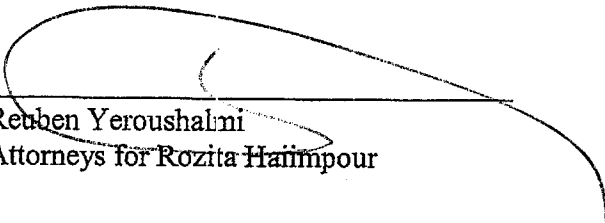
Dated: 6-1-2009

By: 
PROPERTY MANAGEMENT
ASSOCIATES, INC.

As to form only:

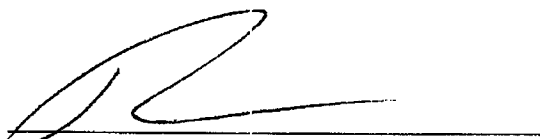
YEROUSHALMI & ASSOCIATES

Dated: 6/4/09

By: 
Reuben Yeroushalmi
Attorneys for Rozita Haimpour

JAMPOL ZIMET SKANE & WILCOX LLP

Dated: 6/4/09

By: 
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Attorneys for Property Management
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