

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 15-20225-CIV-LENARD/GOODMAN

MODERN NATURE DESIGN, INC.,

Plaintiff,

v.

**BAY HARBOR RUG GALLERY, LLC
And A & C RUG GALLERY, LLC,**

Defendants.

FINAL CONSENT JUDGMENT

Whereas, the Complaint in the above-captioned action was filed on or about January 20, 2015 by Plaintiff, Modern Nature Design, Inc. (“Modern Nature Design”); and

Whereas, Defendants, Bay Harbor Rug Gallery, LLC (Bay Harbor Rug”) and A & C Rug Gallery, LLC (“A & C Rug”), were both properly served and are subject to the jurisdiction of this Court; and

Whereas the parties have advised the Court that they have entered into a Settlement Agreement, a material condition of which is entry of this Final Consent Judgment by the Court.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. Modern Nature Design is the owner of registered copyrights for some of its rug designs, the registration certificates for which are attached to Modern Nature Design’s Complaint in this action as Exhibit A.

2. Defendants, Bay Harbor Rug and A & C Rug, represent that they lawfully have in their possession authentic Modern Nature Design manufactured rugs bearing Modern Nature

Design's copyrighted designs as set forth below, which Defendants shall be entitled to resell, promote and market, as permitted under the law:

| DESIGN | SIZE |
|---------------------|-------------|
| Oceania | 2x3 |
| Island Wedding | 6x9 |
| Bamboo | 6x9 |
| Bamboo | 6x9 |
| Bamboo | 9x12 |
| Ripples | 6x9 |
| Swirls (Flat Weave) | 4x6 |
| Vertigo | 5x10 |
| Wild Oats | 6x9 |
| Golden Rain | 6x9 |
| Aloha | 6x9 |
| Palmeira | 6x9 |
| Floever | 6x9 |
| Sahara | 6x9 |
| Vertigo | 10x14 |
| Atlantis | 6x6 |
| Fascination | 6x9 |

3. Defendants, Bay Harbor Rug and A & C Rug, along with their agents, servants, employees, successors, affiliates and assigns, and all others in active concert or participation with them, are hereby enjoined and restrained, pursuant to Section 502 of the Copyright Act, 17 U.S.C. § 502, from, directly or indirectly, manufacturing, distributing, advertising, promoting, offering for sale or selling a rug that infringes Modern Nature Design's copyright registrations, other than those which Defendants lawfully purchase or have purchased. Defendants are, additionally, prohibited from using the Color Customizer found on Modern Nature Design's web site as a sales tool.

4. a. Judgment is hereby entered against Defendants, jointly and severally, and in favor of Plaintiff, in the amount of Fifty Thousand Dollars (\$50,000.00) (the "Judgment Amount"); provided, however, that this Judgment shall be satisfied upon and in the event of

Defendants' payment of Thirty-Five Thousand Dollars (\$35,000.00) (the "Settlement Amount"), as set forth in subparagraph 4.b., below.

b. Defendants shall pay the Settlement Amount to Plaintiff in strict accordance with the following schedule:

| INSTALLMENT NO. AND DUE DATE | INSTALLMENT AMOUNT |
|---|-------------------------------|
| 1. June 15, 2015 | \$10,000.00 |
| 2. July 15, 2015 | \$10,000.00 |
| 3. August 15, 2015 | \$10,000.00 |
| 4. September 15, 2015 | \$ 5,000.00 |

c. The payments to be made by Defendants pursuant to subparagraph 4.b. above shall be delivered so that they arrive no later than the due dates set forth in paragraph 4.b. Installments shall be made by check payable to the order of "Modern Nature Design" and delivered to:

Modern Nature Design, Inc.
1026 Bucida Road
Delray Beach, Florida 33483

5. Upon timely receipt by Plaintiff of all payments of the Settlement Amount owed pursuant to paragraph 4 above, Defendants will be deemed to have fully satisfied the monetary portion of this Consent Judgment and Plaintiff shall, thereupon, cause to be filed a notice that such obligation has been satisfied. However, in the event that Defendants shall default in making any payments provided for in Paragraph 4 above, or in the event that any of Defendants' checks tendered in payment of the Settlement Amount is dishonored by Defendants' bank for any reason, or in the event that one or both of the Defendants file for bankruptcy or in the event Defendants fail to comply with their obligations under this Final Consent Judgment, then, on ten (10) days' notice of such default or other event and provided such default is not cured within the ten day

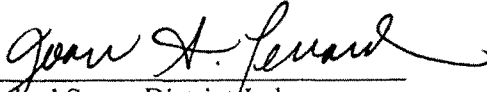
period, the Judgment Amount, plus statutory interest accruing from the date of entry of this Consent Judgment, less any payments made by Defendants pursuant to Paragraph 4 above, shall become due. Upon the filing of a sworn affidavit by Plaintiff that there has been a default of Defendants' obligations hereunder that has not been cured, the Court shall enter an Amended Final Judgment in favor of Plaintiff and against Defendants, jointly and severally, for the amount then due. Plaintiff may pursue all remedies provided by law to collect such amount then owed.

6. In the event that Defendants enter into or execute a contract for the sale, transfer or assignment of such business entity during the period covered by the payment provisions of Paragraph 4 above, Defendants shall within ten (10) days of executing or entering into such a contract give notice to Plaintiff of such pending contract and shall, in advance of such sale, transfer or assignment, cause arrangements to be made for the payment of any balance then owed pursuant to the terms of this consent Judgment not later than the closing of such sale, transfer or assignment.

7. Any notices required by this Consent Judgment to be sent either to Plaintiff or to Defendants shall be sent by e-mail and U.S. mail service to such party's undersigned counsel.

8. The Court shall retain jurisdiction over this matter for purposes of enforcing the terms of this Final Consent Judgment.

Dated: June 10, 2015
Miami, Florida


United States District Judge