

DISTRICT COURT, COUNTY OF ARAPAHOE,
STATE OF COLORADO
7325 South Potomac Street
Centennial, Colorado 80112
Phone: 303-649-6355

Plaintiff: STATE OF COLORADO, ex rel. JOHN W.
SUTHERS, ATTORNEY GENERAL,

v.

Defendants: COLORADO HUMANE SOCIETY &
S.P.C.A., INC.; MARY C. WARREN, an individual;
ROBERT WARREN, an individual; and STEPHENIE L.
GARDNER, an individual.

Attorneys for Plaintiff:

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Assistant Attorney General, 38742*
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Warren, and Stephenie Gardner:**

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Case No.: 2008 CV 2659

Division: 404

**STIPULATED MOTION FOR
ENTRY OF CONSENT DECREE**

IT IS HEREBY AGREED, by and between the Plaintiff, State of Colorado, ex. rel. John W. Suthers, Attorney General on the one hand, and Defendants Mary C. Warren, Robert Warren, and Stephenie L. Gardner on the other hand ("Defendants") (Plaintiff and Defendants collectively, the "Parties"), through their undersigned counsel, that a Consent Decree may be entered to resolve all claims by Plaintiff against these Defendants subject to the following terms:

1. Plaintiff filed its Complaint in this action against these Defendants and the Defendant Colorado Humane Society & S.P.C.A. ("CHS"). CHS is currently under the control of a court-appointed receiver, Waverton Group LLC, who established an administrative claim process by which Defendants and others were to submit monetary claims they had against CHS.

2. Defendants filed several claims against CHS through the administrative process. Through the attached Consent Decree, Defendants agree to withdraw all of their administrative claims against CHS.

3. Through the attached Consent Decree, Defendants also agree to dismiss without prejudice any cross-claims they currently have or may have against CHS and agree not to re-file or to further pursue said claims against CHS.

4. Through the attached Consent Decree, Defendants additionally agree to release CHS, and all of its former employees, officials, agents, attorneys, heirs, successors in interest, executors, administrators, and assigns (the "Other Released Parties") from any and all claims, causes of action, liabilities, expenses and/or damages of every kind and nature, sounding in law or in equity, whether presently known or unknown including, but not limited to, anything arising from or based upon any transaction, matter or occurrence, alleged in or addressed by the Complaint, the administrative claims addressed by paragraph 2, and the cross-claims addressed by paragraph 3; provided, however, that such release applies to the Other Released parties only in their capacity as representatives of CHS.

5. Through the attached Consent Decree, Defendants further agree and covenant that they will not sue, or assert any federal, state or administrative cause of action at law or in equity, whether before a court of law or an administrative agency, against CHS and/or all Other Released Parties for any claims, causes of action, liabilities, expenses and/or damages including, but not limited to, anything arising from or based upon any transaction, matter or occurrence, alleged in or addressed by the Complaint, the administrative claims addressed by paragraph 2, and the cross-claims addressed by paragraph 3; provided, however, that such release applies to the Other Released parties only in their capacity as representatives of CHS.

6. The Parties to this stipulation are as defined above. No rights or duties of any persons other than the Parties, including rights or duties of Waverton Group, LLC, CHS or

Philadelphia Insurance, are affected by this stipulation or by the proposed Consent Decree filed herewith. There are no third-party beneficiaries to the stipulations and terms stated herein, with the sole exception that CHS is a beneficiary of paragraphs 2 through 5.

7. In exchange for Plaintiff waiving any actual or suspended civil penalties against Defendants, Defendants will each provide a Financial Affidavit upon which Plaintiff can rely in agreeing to the Stipulated Motion. Any material misrepresentations on the Financial Affidavit will be deemed a breach of this Stipulated Motion and a violation of the Consent Decree, and subject to the remedies therein. The Financial Affidavits will be marked "CONFIDENTIAL" and maintained as confidential documents by Plaintiff.

8. Additionally, the Parties agree that if the Court finds that a Defendant has willfully violated the Consent Decree, the Court may impose treble the maximum amount of civil penalties allowed pursuant to Colo. Rev. Stat. §6-1-112(b) for said violation. The Parties agree that "willfully" means that the Defendant knew or should have known that he or she was acting in violation of the Consent Decree.

9. Plaintiff's claims were supported by numerous substantive allegations and Defendants asserted numerous defenses and affirmative defenses to the claims asserted against them in this action. The Parties were prepared to prosecute or defend vigorously the claims asserted in this action but for the settlement confirmed by this Stipulation. Nothing in this Stipulation or in the proposed Consent Decree filed herewith shall be construed in any way as an admission of liability by any Party, or an admission as to the merits of any position or fact asserted by any other Party in this action. Specifically, it is understood and agreed that this Consent Decree is the compromise of disputed claims and issues, and that the entry into such decree shall not be construed as an admission of liability on the part of Defendants, by whom liability is expressly denied. Nor shall the entry into such decree constitute approval by Plaintiff of Defendants' past or future practices.

10. As reflected by the language of the proposed Consent Decree, the Parties shall bear their respective attorney fees and costs with regard to the claims resolved by this Stipulation and the Consent Decree.

11. Defendants have reviewed this Motion and the proposed Consent Decree and have executed the Acknowledgement, attached hereto as Exhibit A and incorporated herein.

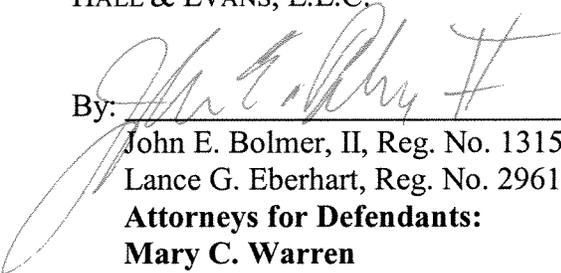
Dated: Jan 26, 2010

COLORADO ATTORNEY GENERAL'S OFFICE

By: 
Alissa Hecht Gardenswartz, Reg. No. 36126
LeeAnn Morrill, Reg. No. 38742
Attorneys for Plaintiff:
State of Colorado, ex rel. John W. Suthers,
Attorney General

Dated: Jan. 19, 2010

HALL & EVANS, L.L.C.

By:  _____

John E. Bolmer, II, Reg. No. 13154

Lance G. Eberhart, Reg. No. 29617

Attorneys for Defendants:

Mary C. Warren

Robert Warren

Stephenie L. Gardner

CERTIFICATE OF SERVICE

This is to certify that on this 26th day of January 2010, the undersigned duly filed and served the foregoing **STIPULATED MOTION FOR CONSENT DECREE** upon all parties and the Custodian herein via Lexis-Nexis File and Serve:

On behalf of Waverton Group, LLC:

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Fairfield and Woods, P.C.
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On behalf of Philadelphia Insurance Companies:

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/s/ Robin Mercer