

WHEREAS, Defendants have concluded that settlement is desirable in order to avoid the time, expense, and inherent uncertainties of defending protracted litigation and to resolve finally and completely all pending and potential claims of the Plaintiff and all members of the Class relating to claims that were or could have been asserted by Plaintiff and the Class Members in the Class Complaint in this matter, relating to the practices at issue;

WHEREAS, Plaintiff recognizes the costs and risks of prosecution of this Litigation, and believes that it is the interest of all Class Members, to resolve this Litigation, and any and all claims in this Litigation against Defendants, in this Settlement Agreement;

WHEREAS, significant arms-length settlement negotiations have taken place between the Parties and, as a result, this Settlement Agreement has been reached, subject to the Court approval process set forth herein;

WHEREAS, the Plaintiff's and Class Counsel believe that this Settlement Agreement offers significant benefits to Class Members and is fair, reasonable, adequate and in the best interest of Class Members; and

WHEREAS, this Settlement Agreement is made and entered into by and among Plaintiff individually, and on behalf of all Class Members, and Defendants.

NOW, THEREFORE, it is hereby stipulated and agreed, by and between the undersigned Parties as follows:

I. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meaning set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. Action. "Action" shall mean this above-captioned class action pending before the United States District Court for the District of New Jersey.

B. Claim Form. "Claim Form" shall mean a form to which the parties shall agree upon and designate as **Exhibit A** hereto, or a form in substantially the same form as that attached hereto as **Exhibit A**.

C. Claims Period. "Claims Period" shall mean the time period through which Claim Forms may be submitted by Class Members and shall conclude ninety (90) days after the entry of the Preliminary Approval Order (defined below) with respect to this Settlement.

D. Class Counsel. "Class Counsel" shall mean DeNittis Osefchen P.C.

E. Class Counsel Fees and Expenses. "Class Counsel Fees and Expenses" shall mean, fees and expenses not to exceed fifty thousand dollars \$50,000, that Defendants have agreed to pay Class Counsel subject to Court approval as part of the resolution of this Litigation to cover the reasonable attorneys' fees and expenses and risk Class Counsel undertook in bringing this case to a final resolution. Class Counsel will make an application to the Court for attorneys' fees and expenses not to exceed \$50,000, to be paid by Defendants subject to Court approval.

F. Class. "Class" shall mean all residents of the United States who purchased a "Morgan Dollar Replica" from the Defendants between December 14, 2009 and the present.

H. Class Notice. "Class Notice" shall mean the Court-approved form of notice to Class

Members informing them of the: (i) preliminary approval of the Settlement; (ii) scheduling of the Final Approval Hearing; and (iii) opportunity to object to the proposed settlement and to submit a claim. The form of this Notice shall be in the form attached as **Exhibit B** and shall be approved by the Court prior to its dissemination.

I. Court. "Court" shall mean the United States District Court for the District of New Jersey.

J. Defendants. "Defendants" shall mean SILVERTOWNE, L.P., SILVERTOWN, INC., and LEON HENDRICKSON, individually.

K. Defendants' Counsel. "Defendants' Counsel" shall mean Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C..

L. Effective Date. "Effective Date" is the date on which this settlement becomes Final within the meaning of Section I.M.

M. Final. With respect to the Judgment, this Settlement, or to any award of any claims, or any award of attorneys' fees and expenses (the "Fee Award") "Final" means that the time for appeal or writ review has expired or, if an appeal or petition for review is taken and dismissed or the Settlement is affirmed, the time period during which further petition for hearing, appeal, or writ of certiorari can be taken has expired. If the Final Approval Order is set aside, materially modified, or overturned by the Court or on appeal, and is not fully reinstated on further appeal, the Order shall not become final. Any proceeding or order or any appeal or petition for review or writ of certiorari pertaining solely to the Fee Award, or any award of incentive payments to Plaintiff, will not in any way delay or preclude the Order from becoming final.

N. Final Approval Hearing And Order. "Final Approval Hearing" shall mean the hearing

at which the Court will consider and finally decide whether to enter the Final Approval Order. "Final Approval Order" shall mean the Court order that approves this Settlement Agreement, approves payment of attorneys' fees and expenses, and makes such other final rulings as are contemplated by this Settlement Agreement.

O. Incentive Award. "Incentive Award" shall mean the one thousand dollars (\$1,000) payment that the Defendants have agreed to pay to the named-Plaintiff HARRY GREENE, subject to approval of the Court.

P. Litigation. "Litigation" shall mean this above-captioned class action proceeding pending before the United States District Court for the District of New Jersey.

Q. Objection Date. "Objection Date" shall mean the date agreed upon by the Parties, or otherwise ordered by the Court, for Class Members to object to the Settlement Agreement's terms or provisions and submit any required statements, proof, or other materials and/or argument.

R. Opt-Out Deadline. "Opt-Out Deadline" shall mean the date agreed upon by the Parties, or otherwise ordered by the Court, by which any Class Members who do not wish to be included in the Class and participate in the Settlement Agreement must complete the acts necessary to properly effect such election.

S. Opt-Out List. "Opt-Out List" shall mean a written list prepared by Class Counsel of all Class Members who submit timely Requests for Exclusion.

T. Parties. "Parties" shall mean the named-Plaintiff and the Defendants.

U. Plaintiff. "Plaintiff" shall mean Harry Greene.

V. Preliminary Approval Order. "Preliminary Approval Order" shall mean the order of the Court preliminarily approving this Settlement Agreement, the form of which the parties shall

agree upon and designate as **Exhibit C** or a form that is substantially the same form as that approved by the Court.

W. Request for Exclusion. "Request for Exclusion" shall mean any request by any Class Member to opt out of, or be excluded from, the Settlement that is in compliance with the provisions of Section VII of this Settlement Agreement.

X. Morgan Dollar Replica 1oz .999 Silver Medallion. "Morgan Dollar Replicas" shall mean the replicas of the Morgan Silver Dollar that were designed, manufactured, imported, and/or sold by Defendants.

Y. Settlement. "Settlement" shall mean the agreement by the Parties to resolve this Litigation, the terms of which have been memorialized and provided for in this Settlement Agreement.

Z. Settlement Agreement. "Settlement Agreement" shall mean this Settlement Agreement and all the exhibits attached hereto.

II. REQUIRED EVENTS

A. Promptly after execution of this Settlement Agreement by all Parties:

1. Class Counsel and Defendants' Counsel shall take all reasonable and necessary steps, subject to the court's availability, to obtain entry of the Preliminary Approval Order and to move for the Final Approval Order.

2. The parties to the Settlement Agreement shall jointly move for entry of a Preliminary Approval Order in the same form as that attached hereto as **Exhibit C**.

3. The Parties will use their best reasonable efforts, consistent with the terms of this Settlement Agreement, to promptly obtain a Final Approval Order.

4. In the event that the Court fails to issue the Preliminary Approval Order or Final Approval Order in all material aspects as those proposed to the Court, this Settlement Agreement is voidable by the party or parties adversely affected by the Court's failure to provide approval, except that any failure to approve the Fee Award or Incentive Award in the amount requested shall not give Plaintiff the right to void the Settlement Agreement.

5. Upon the Effective Date, Judgment in this action shall be rendered, subject to the continuing jurisdiction of this Court as provided in Section VIII herein.

III. SETTLEMENT TERMS

A. Subject to the terms of this Settlement Agreement, Defendants agree to send the Class Notice and Claim Form by email to all Class Members who purchased the Morgan Dollar Replicas from Defendants during the Class Period, and to distribute the Class Notice, along with appropriate information on how to obtain a Claim Form, to the entire Class as set forth in greater detail in Section V, informing Class Members that they may be class members, that they have the right to participate in this Settlement and that they have a right to make a Claim as outlined in detail herein. All costs (including administration) associated with providing the required Class Notice to Class Members shall be paid by the Defendants.

B. Defendants agree that each Class Member who submits a timely Claim, with the appropriate proof, will have the right to return each Morgan Dollar Replicas they purchased from Defendants without the word "COPY" inscribed thereon during the Class Period and to receive a monetary refund of the Morgan Dollar Replicas that they purchased at a price equal to the closing "spot" price of the silver contained in the Class Member's Morgan Dollar Replicas as of the date that it is received by Defendants. All shipping costs associated with exchanging the Morgan Dollar

Replicas shall be paid by Defendants. Defendants will substantiate that the returned Morgan Replica(s) were sold by Defendants during the Class Period based on Defendants' records. If any purported Class Member's name does not appear in Defendants' records, he may be asked to provide separate proof of purchase.

C. Defendants shall use reasonable commercial efforts to process all valid Claims not later than one hundred and fifty (150) days after the Claims Period of this Agreement.

D. **IV. CLAIMS ADMINISTRATION**

A. The Claims process will be administered by Defendant SilverTowne, Inc., subject to Court approval.

B. Defendants, with Plaintiff's Counsel's oversight, shall have authority to determine the validity of claims, in the manner described above, subject to monitoring and input by the parties. Sixty (60) days after the expiration of the Claims Period, the Defendant shall submit a report to counsel for all parties.

C. In the event that Defendant and Class Counsel cannot resolve any disagreements over the validity of any disputed Claim, the matter will be submitted in writing to the Court, whose ruling as to the validity of such dispute will be binding and final, without further appeal.

V. **NOTIFICATION TO CLASS MEMBERS**

A. Defendants shall be responsible for all costs associated with sending the Court approved Class Notice and Claim Form by email to all Class Members who purchased Morgan Dollar Replica from Defendants during the Class Period.

B. The Class Notice, Claim Form and Settlement Agreement will also be posted by Class Counsel in a prominent location on Class Counsel's website (<http://www.denittislaw.com>) at no

expense to Defendants.

C. The Claims Period shall run for a period of ninety (90) days, commencing on the date the Preliminary Approval Order is entered.

D. All costs of disseminating the Class Notice and Claim Form will be paid by Defendants, except that the parties agree that there shall be no charge to Defendants for the posting of the Class Notice and Claim Form on Class Counsel's website or for any of the time Class Counsel expends in responding to Class Member inquiries.

E. Proof of Notice. No later than ten (10) days prior to the Final Approval Hearing, Defendant shall provide an affidavit to the Court, with a copy to Class Counsel and Defendants' Counsel, attesting that notice was disseminated in a manner consistent with the terms of this Settlement Agreement.

VI. REQUESTS FOR EXCLUSION BY CLASS MEMBERS

A. Any Class Member may make a Request for Exclusion by mailing or delivering such request in writing to Class Counsel and Defendants' Counsel at the addresses set forth in the Class Notice. Any Request for Exclusion must be postmarked or delivered not later than the date specified in the Court's Preliminary Approval Order. Any Request for Exclusion shall state the name, address and telephone number of the person requesting exclusion and contain a clear statement communicating that such person elects to be excluded from the Class and elects to be excluded from any judgment entered pursuant to this Settlement.

B. Any Class Member who submits a timely Request for Exclusion may not file an objection to the Settlement and shall be deemed to have waived any rights or benefits under this Settlement Agreement.

C. Class Counsel shall report the names of all individuals who have submitted a Request for Exclusion to the Court no less than ten (10) days prior to the Final Approval Hearing.

VII. OBJECTIONS BY CLASS MEMBERS

A. The Parties will request that the Court enter an order requiring any Class Member who wishes to be heard orally at the Final Approval Hearing, or who wishes for any objection to be considered, to file a written notice of objection by the Objection Date as set forth in the Preliminary Approval Order. Such objections shall state the name, address and telephone number of the person and provide proof of membership in the Class, as well as a detailed statement of each objection asserted, including the grounds for objection and reasons for appearing and being heard, together with any documents such person wishes to be considered.

B. The agreed-upon procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Class Member's objections to the Settlement Agreement, in accordance with such Class Member's due process rights. The Preliminary Approval Order and Class Notice will require all Class Members who have any objections to file such notice of objection or request to be heard with the Court, and serve by mail or hand delivery such notice of objection upon Class Counsel and Defendants' Counsel at the addresses set forth in the Class Notice, by no later than the Objection Date. The Preliminary Approval Order will further provide that objectors who fail to properly or timely file their objections with the Court, along with the required information and documentation set forth above, or to serve them as provided above, shall not be heard during the Final Approval Hearing, nor shall their objections be considered by the Court.

VIII. RELEASE, DISMISSAL OF ACTION, AND JURISDICTION OF COURT

A. By this Settlement Agreement and the following Release, Defendants and their respective affiliates, predecessors, successors, assigns, directors, officers, members, shareholders, owners, agents, attorneys, representatives and employees are released from any and all claims or causes of action, whether known or unknown, that were, or could have been, asserted by the named Plaintiff or any Class Member, arising out of or related to the Action, Litigation, Defendants' design, manufacture, importation, or sale of the Morgan Dollar Replicas or Defendants' alleged violation of the federal Hobby Protection Act.

B. This Settlement Agreement and Release does not affect the rights of Class Members who timely and properly request exclusion from the Settlement Agreement.

C. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of this Court. The Court shall retain jurisdiction to protect, preserve, and implement the Settlement Agreement, including, but not limited to, the Release. The Court expressly retains jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement, including, but not limited to, orders enjoining Class Members from prosecuting claims that are released pursuant to the Settlement Agreement.

D. Upon issuance of the Final Approval Order and the Effective Date of the Settlement: (i) the Settlement Agreement shall be the exclusive remedy for Plaintiff and any and all Class Members, except those who have opted out in accordance with the terms and provisions hereof; (ii) Defendants shall not be subject to liability or expense of any kind to Plaintiff or any Class Members except as set forth herein; and (iii) Plaintiff and Class Members shall be permanently barred from

initiating, asserting, or prosecuting any and all released claims against Defendants in any federal or state court in the United States or any other tribunal.

IX. ATTORNEYS' FEES AND INCENTIVE AWARD

A. Plaintiff shall make (and Defendants have agreed not to oppose) an application to the Court for attorneys' fees, costs and expenses not to exceed fifty thousand dollars (\$50,000), which the parties have agreed shall be paid by Defendants, subject to Court approval. Unless modified by the Court, the Fee Award shall be paid by check or wire transfer to DeNittis Osefchen, P.C., within five (5) days after Final Approval of the Settlement Agreement by the Court. The Parties agree and acknowledge that Class Counsel is not entitled to an award of any other attorneys' fees and costs, including any that may be incurred as part of any appeal, related to this Action, Litigation or the dispute between the Parties and Class Members, except to the amount agreed herein.

B. Given the efforts of the Plaintiff on behalf of the Class Members, the parties have also agreed that the named-Plaintiff should receive an Incentive Award of \$1,000.00 from Defendants, subject to Court approval. Such award shall be paid by check and shall be delivered to Class Counsel within five (5) days after the Final Approval Order by the Court.

X. REPRESENTATIONS, WARRANTIES AND COVENANTS

A. Class Counsel, who are signatories hereof, represent and warrant that they have the authority, on behalf of Plaintiff, to execute, deliver, and perform this Settlement Agreement and to consummate all of the transactions contemplated hereby. This Settlement Agreement has been duly and validly executed and delivered by Class Counsel and Plaintiff and constitutes their legal, valid and binding obligation.

B. Defendants, through their undersigned attorneys, represent and warrant that they have

the authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by Defendants of this Settlement Agreement and the consummation by them of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendants. This Settlement Agreement has been duly and validly executed and delivered by Defendants and constitutes its legal, valid, and binding obligation.

XI. MISCELLANEOUS PROVISIONS

A. This Settlement Agreement, and the exhibits and related documents hereto, are not to be used in evidence and shall not at any time be construed or deemed to be any admission or concession by Defendants with respect to any alleged wrongdoing, fault, or omission of any kind whatsoever, regardless of whether or not this Settlement Agreement results in entry of a Final Approval Order as contemplated herein. Defendants specifically deny all of the allegations made in connection with the Litigation or Action. This provision shall survive the expiration or voiding of the Settlement Agreement.

B. This Settlement Agreement is entered into only for purposes of Settlement. In the event that this Settlement Agreement is not finally approved in all material ways as written, then this Settlement Agreement, including any releases or dismissals hereunder, is canceled, and no term or condition of this Settlement Agreement, or any draft thereof, or of the discussion, negotiation, documentation or other part or aspect of the Parties' settlement discussions shall have any effect, nor shall any such matter be admissible in evidence for any purpose, or used for any purposes whatsoever in the Litigation, and all Parties shall be restored to their prior rights positions as if the Settlement Agreement had not been entered into.

C. The headings of the sections and paragraphs of this Settlement Agreement are included for convenience only and shall not be deemed to constitute part of this Settlement Agreement or to affect its construction.

D. This Settlement Agreement, including all exhibits attached hereto, may not be modified or amended except in writing signed by all of the Parties.

E. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

F. Except as otherwise provided in this Settlement Agreement, each party to this Settlement Agreement shall bear his or its own costs of the Action or Litigation.

G. The Parties to this Settlement Agreement reserve the right, by agreement and subject to the Court's approval, to grant any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

H. The determination of the terms of, and the drafting of, this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Because this Settlement Agreement was drafted with the participation of all Parties and their counsel, the presumption that ambiguities shall be construed against the drafter does not apply. Each of the Parties was represented by competent and effective counsel throughout the course of settlement negotiations and in the drafting and execution of this Settlement Agreement, and there was no disparity in bargaining power among the Parties to this Settlement Agreement.

I. Integrated Agreement. All of the exhibits and/or attachments (collectively

“Exhibits”) to this Settlement Agreement are material and integral parts hereof, and are fully incorporated herein by reference. This Settlement Agreement and its Exhibits constitute the entire, fully integrated agreement among the Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the Litigation.

J. Dispute Resolution. The Parties agree that any disputes regarding the terms and conditions of this Settlement Agreement, the Parties’ rights and obligations under this Settlement Agreement, and/or any disagreement regarding the manner in which any issue or dispute arising under this Settlement Agreement should be resolved shall be submitted to the Court.

K. Notices. All notices to the Parties of counsel required by this Settlement Agreement shall be made in writing and communicated by electronic and regular mail to the following addresses:

If to Plaintiff or Class Counsel:

Stephen P. DeNittis, Esquire
DeNittis Osefchen, P.C.
5 Greentree Centre, Suite 410
Route 73 South & Lincoln Drive
Marlton, New Jersey 08053
856.797.9951
856.797.9978 (Fax)
sdenittis@denittislaw.com

If to Defendants or Defendants’ Counsel:

Joshua Briones, Esquire
E. Crystal Lopez, Esquire
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
2029 Century Park East, Suite 1370
Los Angeles, CA 90067
310-586-3200 – phone
310-586-3202 – fax
310-226-7887 – direct dial
JBriones@Mintz.com
CLopez@Mintz.com

IN WITNESS WHEREOF, Plaintiff and Defendants and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: _____, 2016



Stephen P. DeNittis
Counsel for Plaintiff and the Class

Dated: July 25, 2016



E. Crystal Lopez
Counsel for Defendants