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Exhibit 1

Ferguson et al. v. JONAH et al.

No. L-5473-12, Superior Court of New Jersey, Hudson County Law Division

SETTLEMENT AGREEMENT

This agreement ("**Settlement Agreement**") is entered into as of the 17th day of December, 2015, by and among Michael Ferguson, Benjamin Unger, Chaim Levin, Jo Bruck, and Bella Levin (together, "**Plaintiffs**"), Arthur Goldberg, Alan Downing, Alan Downing Life Coaching LLC, Jews Offering New Alternatives for Healing (f/k/a Jews Offering New Alternatives to Homosexuality) ("**JONAH**" and together, with Arthur Goldberg Alan Downing, and Alan Downing Life Coaching LLC, "**Defendants**"), and Mrs. Elaine Berk (together with Defendants, the "**JONAH Parties**" and together with Plaintiffs, the "**Parties**").

WHEREAS, on November 27, 2012, Plaintiffs filed *Ferguson, et al.*, *v. JONAH, et al.*, No. L-5473-12, (the "Action") in the Superior Court of New Jersey, Hudson County (the "Court");

WHEREAS, on June 25, 2015, a jury returned a verdict for the Plaintiffs, finding that Defendants made misrepresentations and engaged in unconscionable commercial practices in violation of the New Jersey Consumer Fraud Act, N.J.S.A. §§ 56:8-1, *et seq.* (the "**CFA**"), and providing for an award to the Plaintiffs of \$72,450, inclusive of statutory trebling (the "**Jury Award**");

WHEREAS, the CFA entitles Plaintiffs to seek a permanent injunction and obligates Defendants to pay Plaintiffs' attorneys fees and costs as determined by the Court;

WHEREAS, the Parties have agreed to jointly submit to the Court a stipulated order (the "**Order**")¹ setting out the terms of an injunction and establishing Plaintiffs' recoverable fees and costs so as to expedite the full and final resolution of the case;

WHEREAS, the Order permanently enjoins Defendants from engaging in Conversion Therapy (whether directly or through referrals) or advertising or promoting Conversion Therapy or Conversion Therapy-related commerce in or directed at New Jersey or New Jersey residents (whether in person or remotely, individually or in groups, including via telephone, Skype, email, online services or any delivery medium that may be introduced in the future, and including the provision of referrals to providers of the same);

WHEREAS, Defendants have publicly acknowledged the fees and costs incurred by their counsel in connection with the Action have exceeded \$3,000,000;

WHEREAS, the Order entitles Plaintiffs to a payment of fees and costs by Defendants in the amount of \$3,500,000 (the "**Fee Award**");

WHEREAS, in exchange for the JONAH Parties' agreement to comply with the terms set forth in this Settlement Agreement, and subject to the Settlement Agreement's conditions, Plaintiffs agree to accept a lesser amount in satisfaction of the Fee Award to which Plaintiffs are fully entitled pursuant to the Order and New Jersey law; and

¹

Terms capitalized but not defined herein shall have the meaning ascribed to them in the Order.

WHEREAS, the Parties desire to enter into the Settlement Agreement for their mutual benefit and agree that each of the Parties, individually and collectively, will receive valuable consideration upon entering into the Settlement Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual benefits to be derived hereby (the sufficiency of which is acknowledged), the Parties agree as follows:

1. <u>Effective Date</u>. This Settlement Agreement shall become effective on the date on which the Court enters the Order (the "**Effective Date**").

2. <u>Order Applicability to Mrs. Berk</u>. Mrs. Berk shall be bound by the terms of the Order, including, for the avoidance of doubt, the prohibitions on engaging in Conversion Therapy (whether directly or through referrals) or advertising or promoting Conversion Therapy or Conversion Therapy-related commerce in or directed at New Jersey or New Jersey residents (whether in person or remotely, individually or in groups, including via telephone, Skype, email, online services or any delivery medium that may be introduced in the future, and including the provision of referrals to providers of the same).

3. <u>Waiver of Right to Appeal</u>. Defendants irrevocably waive their right to appeal, overturn, set aside, collaterally attack, avoid or otherwise challenge in any way whatsoever, including, for the avoidance of doubt, any right that might exist under R. 2:2-3 or Fed. R. Civ. P. 60, the Order or any other aspect of the Action, including without limitation, relating to the jury verdict, injunction, Fee Award, and any and all Court orders issued in connection with the Action.

4. <u>Resignation of JONAH Parties</u>. The JONAH Parties shall resign from all positions in Conversion Therapy-related boards and organizations including, without limitation, The National Association for Research & Therapy of Homosexuality, The Alliance for Therapeutic Choice and Scientific Integrity, Positive Alternatives to Homosexuality, Joel 2:25, People Can Change, Parents and Friends of Ex-Gays and Gays, Voice of the Voiceless, Voices of Change, International Healing Fund, and the Institute for Healthy Families, whether doing business in these or any other names, within sixty (60) days of the entry of the Order, and shall not hold any position in any such organizations in the future, provided however that this prohibition shall not prohibit ordinary membership in any such organizations.

5. <u>Satisfaction of Fee Award</u>. Subject to paragraph 6 of the Settlement Agreement, the Plaintiffs will accept payment of the fee Award and Jury Award. The remaining is to be deposited by Defendants in an escrow account or accounts to be designated and controlled by Plaintiffs within sixty (60) days of the entry of the Order. The remaining is to be deposited by Defendants into the same escrow account or accounts within eighteen (18) months of the entry of the Order.

6. <u>Violation of the Settlement Agreement</u>

a. If, within five (5) years of the entry of the Order, any of the JONAH Parties breach the terms of the Settlement Agreement or Order (a "**Breach**"), Plaintiffs shall be entitled to Defendants' Breach Damages and/or Berk Breach Damages, each as defined in subsections (b) and (c) of this paragraph (collectively, "**Breach Damages**"). Plaintiffs shall provide notice to the JONAH Parties of their intent to seek the applicable Breach Damages, accompanied by a description of Plaintiffs' good faith basis for believing that the JONAH Parties are in breach of the Settlement Agreement or Order. If Defendants fail to cure the Breach within thirty (30) days of receiving such notice or if the Breach cannot be cured (collectively, an "**Uncured Breach**"), the applicable Breach Damages will become due. Engaging in Conversion Therapy services, including providing referrals to Conversion Therapy providers, in or directed at New Jersey or New Jersey residents is an Uncured Breach.

b. In the event of an Uncured Breach by Defendants, Defendants shall have thirty (30) days to pay Plaintiffs the Fee Award less that portion of the Settlement Sum that has been paid (the "**Defendants' Breach Damages**").² If Defendants fail to timely make such payment, Plaintiffs shall file a motion (a "**Breach Motion**") with the Court seeking a default judgment in the amount of the Defendants' Breach Damages for Defendants' failure to satisfy the Fee Award. The Defendants' Breach Damages shall only be due from, and the Breach Motion shall only be brought against, those Defendants that committed the Uncured Breach. If, subsequent to an Uncured Breach by one Defendant, another Defendants' Breach Damages.

c. In the event of an Uncured Breach by Mrs. Berk, Mrs. Berk shall have thirty (30) days to pay Plaintiffs the sum of \$400,000 in liquidated damages (the "**Berk Breach Damages**").

d. The Parties agree and acknowledge that (i) the Order entitles Plaintiffs to collect the full Fee Award from Defendants; (ii) Plaintiffs have agreed to accept the Settlement Sum in full and final satisfaction of the Fee Award and Jury Award in exchange for the JONAH Parties' agreement to abide by the terms of the Settlement Agreement; (iii) the Breach Damages are fairly and reasonably commensurate to the actual damages that would be incurred by Plaintiffs in the event of the JONAH Parties' breach of the Settlement Agreement; and (iv) the Breach Damages have been fairly and freely negotiated by the Parties through their counsel with full knowledge of the facts and legal principles at issue.

e. For the avoidance of doubt, it shall not be a violation of this Settlement Agreement for Mr. Downing to form a limited liability corporate entity ("LLC") in a state other than New Jersey, provided, however, that any such LLC shall be bound by this Settlement Agreement to the same extent as Mr. Downing.

7. <u>Duty to File Notice of Satisfaction of Fee Award</u>. Within sixty (60) days of the fifth anniversary of the Court's entry of the Order, provided payment of the Settlement Sum has been made in full and the JONAH Parties have not committed an Uncured Breach, Plaintiffs will file a notice with the Court (the "**Satisfaction Notice**") that the Fee Award has been fully satisfied. For the avoidance of doubt, filing of the Satisfaction Notice shall not affect the JONAH Parties' obligation to comply with the terms of the Order and this Settlement

² By way of example, in the event of an Uncured Breach by Defendants that takes place after the initial of the Settlement Sum has been paid, but before the remaining has been paid, the Defendants' Breach Damages will be which represents the sum of the Fee Award (\$3,500,000) less that portion of the Settlement Sum (a) that has already been paid.

Agreement. Further, filing of the Satisfaction Notice shall not waive any of Plaintiffs' rights with respect to the JONAH Parties' breach of the Settlement Agreement or violation of the Order, other than Plaintiffs' right to collect the Breach Damages.

8. <u>Governing Law</u>. The Parties agree that any and all disputes relating to the Settlement Agreement shall be governed by the laws of the State of New Jersey.

9. <u>Exclusive Jurisdiction</u>. The Parties agree that jurisdiction as to any disputes relating to the Settlement Agreement is exclusively in New Jersey Superior Court, Hudson County, and the Parties agree to waive any and all jurisdictional defenses.

10. <u>Confidentiality</u>. The Settlement Sum shall remain confidential and shall not be disclosed to any non-Party other than attorneys representing or advising the Parties, providing such attorneys agree to be bound by this confidentiality provision.

11. <u>Court Modifications to the Order</u>. Should the Court modify or strike any term of the Order as submitted by the Parties, the Parties shall execute an amendment adding to this Settlement Agreement any and all of the modified or stricken terms exactly as they originally appeared in the Order submitted by the Parties within fourteen (14) days of the Effective Date.

12. <u>Entire Agreement</u>. This Settlement Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof. This Settlement Agreement supersedes all prior negotiations, agreements and understandings of the Parties of any nature, whether oral or written, concerning the subject matter hereof.

13. <u>Amendments</u>. This Settlement Agreement may be amended only by a written agreement between the Parties hereto.

14. <u>Severability</u>. If in any proceedings a court will refuse to enforce any provision of this Settlement Agreement, then such unenforceable provision will be deemed eliminated from this Settlement Agreement for the purpose of such proceedings to the extent necessary to permit the remaining provisions to be enforced. To the full extent, however, that the provisions of any applicable law may be waived, they are hereby waived to the end that this Settlement Agreement be deemed to be valid and a binding agreement enforceable in accordance with its terms, and in the event that any provision hereof will be found to be invalid or unenforceable, such provision will be construed by limiting it so as to be valid and enforceable to the maximum extent consistent with and possible under applicable law.

15. <u>Counterparts</u>. This Settlement Agreement may be executed by facsimile or portable document format (pdf) transmission and by counsel for each of the Parties, in separate counterparts, each of which when so executed will be deemed to be an original and all of which together will constitute one and the same agreement.

[Signatures appear on the next page]

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the \parallel day of <u>DECEMBER</u>, 2015.

JONAH PARTIES

PLAINTIFFS

Michael Ferguson

| JONAH, Inc. | |
|-------------------|--------------|
| Ву: | |
| Name: | |
| Title: | |
| Alan Downing Life | Coaching LLC |

Name:_____

Title:

Arthur Goldberg

Benjamin Unger

Chaim Levin

Jo Bruck

Alan Downing

Bella Levin

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of

the _____ day of ______, 2015.

JONAH PARTIES

PLAINTIFFS

JONAH, Inc.

Michael Ferguson

By: _____

Name:______ Title:_____

Benjamin Unger

Chaim Levin

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Alan Downing Life Coaching LLC

By:_____

Name:_____

Title:_____

Arthur Goldberg

Jo Bruck

Alan Downing

Bella Levin

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IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of

the _____ day of ______, 2015.

JONAH PARTIES

PLAINTIFFS

JONAH, Inc.

Michael Ferguson

By:_____

Name:_____

Title:_____

Benjamin Unger

Chaim Levin

Alan Downing Life Coaching LLC

By:_____

Name:

Title:_____

Arthur Goldberg

Mi)

Jo Bruck

Alan Downing

Bella Levin

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IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of

the _____ day of ______, 2015.

JONAH PARTIES

PLAINTIFFS

Michael Ferguson

JONAH, Inc.

By: _____

Name:_____

Benjamin Unger

Alan Downing Life Coaching LLC

By:_____

Name:_____

Title:_____

Arthur Goldberg

Jo Bruck

Chaim Levin

fruck

Bella Levin

Alan Downing

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IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of

the _____ day of ______, 2015.

| JONAH PARTIES | PLAINTIFFS |
|--------------------------------|--|
| JONAH, Inc. | Michael Ferguson |
| Ву: | |
| Name: | |
| Title: | Benjamin Unger |
| Alan Downing Life Coaching LLC | |
| Ву: | Chaim Levin |
| Name: | |
| Title: | ······································ |
| Arthur Goldberg | Jo Bruck |
| | |
| Alan Downing | Bella Levin Bella Le |

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of

the _____ day of ______, 2015.

JONAH PARTIES

PLAINTIFFS

Michael Ferguson

| JONAH, Inc. |
|-----------------------|
| By: alfollon |
| Name: Arthur Goldberg |
| Title: Co-Director |

Arthur Goldberg

Alan Downing

Elaine Berk

ine Beach

Benjamin Unger

Chaim Levin

Jo Bruck

Bella Levin

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Exhibit 2

LITE DEPALMA GREENBERG, LLC

Bruce D. Greenberg (NJ Id# 014951982) 570 Broad Street, Suite 1201 Newark, NJ 07102 (973) 623-3000



SOUTHERN POVERTY LAW CENTER

David C. Dinielli (*pro hac vice*) Samuel Wolfe (*pro hac vice*) Scott D. McCoy (*pro hac vice*) 400 Washington Ave. Montgomery, AL 36104 (334) 956-8200 FILED

DEC 1 8 2015

PETER F. BARISO, JR., A.J.S.C.

CLEARY GOTTLIEB STEEN & HAMILTON LLP

James L. Bromley (*pro hac vice*) Lina Bensman (*pro hac vice*) Thomas S. Kessler (*pro hac vice*) One Liberty Plaza New York, NY 10006 (212) 225-2000

Attorneys for Plaintiffs

Michael Ferguson, Benjamin Unger, Chaim Levin, Jo Bruck, Bella Levin,

Plaintiffs,

v.

JONAH (Jews Offering New Alternatives for Healing f/k/a Jews Offering New Alternatives to Homosexuality), Arthur Goldberg, Alan Downing, Alan Downing Life Coaching LLC,

Defendants.

SUPERIOR COURT OF NEW JERSEY HUDSON COUNTY, LAW DIVISION

Docket No. L-5473-12

CIVIL ACTION

ORDER GRANTING PERMANENT INJUNCTIVE RELIEF AND AWARDING ATTORNEYS' FEES THIS MATTER having been opened to the Court by Bruce D. Greenberg, Esq., of Lite DePalma Greenberg, LLC, attorneys for Plaintiffs, Michael Ferguson, Benjamin Unger, Chaim Levin, Jo Bruck, and Bella Levin (collectively "Plaintiffs"); and JONAH (Jews Offering New Alternatives for Healing f/k/a Jews Offering New Alternatives to Homosexuality), Arthur Goldberg, Alan Downing, and Alan Downing Life Coaching LLC, (collectively "Defendants" and together with Plaintiffs, the "Parties") each having expressed their consent to this Order; and the Court having considered the Plaintiffs' request; and for good cause having been shown for the entry of the Order; therefore

On this $\underline{\| \boldsymbol{\ell} \|}^{t}$ day of December, 2015:

It is hereby FOUND AND DECREED, that:

- The relief sought by Plaintiffs and granted herein is based upon and fully supported by the evidence presented during the trial in this action, the jury's unanimous verdict of June 25, 2015, and their finding that each Defendant made misrepresentations in connection with the advertisement, sale or subsequent performance of the JONAH program and engaged in unconscionable commercial practices;
- 2. The award of attorneys' fees and costs requested by Plaintiffs' counsel is a fair and reasonable award for the service provided in this action.

NOW, THEREFORE, it is hereby ORDERED that:

 JONAH, Inc. shall permanently cease any and all operations within thirty (30) days of the entry of this Order, including its educational functions, its provision of referrals and/or direct services, and operation of its websites and listservs, which it shall cause to be taken offline, provided however that it shall be permitted to maintain use of "@jonahweb.org" email addresses, only for those purposes not

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prohibited by this Order, for one hundred eighty (180) days from the entry of this Order;

- JONAH, Inc. shall permanently dissolve as a corporate entity and liquidate all its assets, tangible or intangible, within one hundred eighty (180) days of the entry of this Order;
- 3. As of the date of this Order, pursuant to the New Jersey Consumer Fraud Act, N.J.S.A. §§ 56:8-1, et seq., Defendants are permanently enjoined from engaging. whether directly or through referrals, in any therapy, counseling, treatment or activity that has the goal of changing, affecting or influencing sexual orientation, "same sex attraction" or "gender wholeness," or any other equivalent term, whether referred to as "conversion therapy," "reparative therapy," "gender affirming processes" or any other equivalent term ("Conversion Therapy"), or advertising, or promoting Conversion Therapy or Conversion Therapy-related commerce in or directed at New Jersey or New Jersey residents (whether in person or remotely, individually or in groups, including via telephone, Skype, email, online services or any delivery medium that may be introduced in the future, and including the provision of referrals to providers, advertisers, promoters, or advocates of the same), provided however that Alan Downing shall have thirty (30) days from the date of the entry of this Order to cease the provision of Conversion Therapy to his current clients;
- 4. Plaintiffs' counsel is awarded attorneys' fees and expenses in the amount of three million five hundred thousand U.S. dollars (\$3,500,000) to be paid by Defendants (the "Fee Award") within such time as mutually agreed upon by the Parties.

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Plaintiffs shall submit to this Court a notice of satisfaction upon Defendants' payment of the Fee Award.

- 5. This Order, and all of its obligations and restrictions, shall be binding on Arthur Goldberg, Alan Downing, Alan Downing Life Coaching LLC, and JONAH, Inc., including Elaine Berk as its co-founder and co-director.
- 6. This Court shall retain jurisdiction with respect to all matters relating to or arising from the interpretation, implementation, or enforcement of this Order.

Titut Barro, M.

Honorable Peter F. Bariso, Jr., A.J.S.C.

____ opposed