

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

SPANX, INC. and SARA BLAKELY,)
INDIVIDUALLY,)

Plaintiffs,)

v.)

CIVIL ACTION NO.

1:08-cv-01375-WSD

SEXY PANTIES AND NAUGHTY)
KNICKERS LIMITED and POM)
LAMPSON, INDIVIDUALLY,)

Defendants.)

**CONSENT AGREEMENT, FINAL JUDGMENT
AND PERMANENT INJUNCTION**

It is hereby stipulated by and among Plaintiffs Spanx, Inc. and Sara Blakely, individually ("Spanx") and Defendants Sexy Panties and Naughty Knickers Limited and Pom Lampson ("Defendants") that the following Consent Agreement, Final Judgment and Permanent Injunction ("Consent Decree") be entered by the Court without further notice or process to resolve all matters in dispute in this action:

1. Defendants, and all officers, directors, principals, employees, agents, affiliates, licensees, distributors, successors, assigns, heirs or representatives of Defendants, and any other persons or entities controlled

directly or indirectly by them, are hereby permanently enjoined and restrained from designing, printing, manufacturing, assembling, modifying, importing, exporting, possessing, offering to the public, trafficking, distributing, selling or offering for sale, any products bearing or decorated with Spanx's trademark SPANX®, SPANK, S.P.A.N.K. or any other mark confusingly similar thereto (collectively the "SPANK mark"), in the United States or Canada after November 15, 2008.

2. Defendants shall cease all advertising of products bearing the SPANK mark in the United States and Canada by November 15, 2008.

3. Defendants represent and warrant that they currently have no inventory of products bearing the SPANK mark in the United States or Canada.

4. Defendants represent and warrant that they ordered the cessation of the manufacture of products bearing the SPANK mark on or around November 2007, and that no such products have or will be manufactured after that date.

5. Defendants represent and warrant that their entire inventory of products bearing the SPANK mark is located in the United Kingdom and does not exceed ninety thousand (90,000) units of such products.

6. Defendants agree that neither Defendants, nor any officers,

directors, principals, employees, agents, affiliates, licensees, distributors, successors, assigns, heirs or representatives of Defendants, nor any other persons or entities controlled directly or indirectly by them, shall design, print, manufacture, assemble, modify, import, export, possess, offer to the public, traffic, distribute, sell or offer for sale, any products bearing or decorated with the SPANK mark outside the United States or Canada after September 30, 2009.

7. After September 30, 2009, Defendants and their licensees and distributors shall destroy all remaining inventory of products bearing or decorated with the SPANK mark and provide written confirmation of same within thirty (30) days.

8. Defendants agree that neither Defendants, nor any officers, directors, principals, employees, agents, affiliates, licensees, distributors, successors, assigns, heirs or representatives of Defendants, nor any other persons or entities controlled directly or indirectly by them, shall seek to register the SPANK mark. Defendants shall abandon any applications for the SPANK mark, and shall cancel any registrations for the SPANK mark, existing anywhere in the world.

9. This Consent Decree shall apply with the same force and effect to any other business in which Defendants have a controlling interest, now or in

the future.

10. Defendants shall notify their distributors and retailers outside the United States that they may not export or deliver products bearing the SPANK mark to the United States or Canada after November 15, 2008.

11. Defendants, and any persons or entities controlled directly or indirectly by them, are hereby permanently enjoined and restrained from:

(a) investing or holding any financial interest in any enterprise which the Defendants know is now, or is planning in the future, to engage in any of the activities prohibited by this Consent Decree; or

(b) knowingly allowing any persons or entities which they control, either directly or indirectly, to engage in any of the activities prohibited by this Consent Decree.

12. In the event that Defendants become aware that an enterprise in which they have invested or hold a financial interest is engaged in any of the activities prohibited by this Consent Decree, Defendants agree to and shall immediately divest themselves of any such investment or financial interest and promptly notify Spanx of the same.


13. Defendants specifically consent to personal jurisdiction and venue in the United States District Court, for the Northern District of Georgia, Atlanta Division, for purposes of enforcement of this Consent Decree, and this

Court shall retain jurisdiction to entertain such further proceedings and to enter such further orders as may be necessary or appropriate to implement or enforce the provisions of this Consent Decree.

14. Upon proof of any violation of the provisions of this Consent Decree, the Court shall be authorized to award damages to Spanx for any damages or attorneys fees arising therefrom, or any other relief authorized by law, unless the violation is isolated and unintentional.

15. In consideration of the above and subject to compliance with the provisions of this Consent Decree, Spanx and the officers, directors, principals, successors, assigns, heirs and representatives of Spanx and any other person or persons controlled directly or indirectly by Spanx, hereby release Defendants and their officers, directors, principals, employees, agents, affiliates, licensees, distributors, successors, assigns, heirs and representatives, from all claims, demands, damages or liabilities arising from their sale of products bearing or decorated with the SPANK mark in the United States and Canada prior to November 15, 2008 and outside the United States and Canada prior to September 30, 2009.

Entered this 24th day of October, 2008.



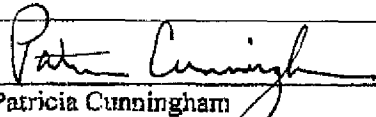
WILLIAM S. DUFFEY, JR.
UNITED STATES DISTRICT JUDGE

Presented by:

SUTHERLAND ASBILL & BRENNAN LLP

ANDERSON DAILEY LLP

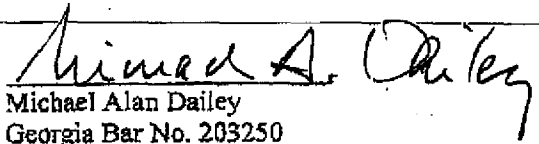
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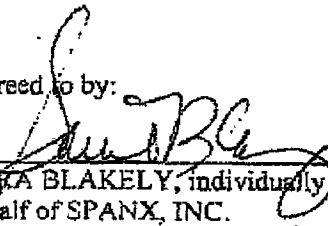
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Counsel for
SEXY PANTIES AND
NAUGHTY KNICKERS
LIMITED and POM LAMPSON

Agreed to by:


SARA BLAKELY, individually and on
behalf of SPANX, INC.

Date: Oct 15, 08


POM LAMPSON, individually
and on behalf of SEXY
PANTIES AND NAUGHTY
KNICKERS LIMITED

Date: 20 October 2008