

1                   **JOINT STIPULATION OF PAGA SETTLEMENT AND RELEASE**

2           IT IS HEREBY STIPULATED AND AGREED by and among the undersigned, subject to  
3 the approval of the Court, pursuant to Labor Code section 2699(1)(2), that this Settlement shall be  
4 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein  
5 shall have the meanings set forth in Section 1 or elsewhere in this Joint Stipulation of Private  
6 Attorneys General Act ("PAGA") Settlement and Release ("Agreement" or "Settlement").

7           This Agreement is made by and between plaintiff Shawn Hotinger ("Hotinger"), plaintiff  
8 Terri Martinez ("Martinez") (collectively, "Plaintiffs") for themselves and on behalf of other  
9 Covered Employees (defined below) and the State of California, and defendant Family Dollar,  
10 Inc. ("Family Dollar"). (Plaintiffs and Family Dollar, as defined herein, are collectively referred  
11 to as the "Parties").

12           The Parties agree that the Litigation (as defined below) shall be ended, settled, resolved,  
13 and concluded by agreement of Family Dollar to (i) pay the maximum sum of Six Hundred  
14 Twenty Five Thousand Dollars (\$ 625,000) (hereinafter referred to as the "Gross Settlement  
15 Amount"), which shall include the LWDA Payment to the State of California (defined below),  
16 Employees Payment to the Covered Employees (defined below), Plaintiffs' Attorneys' Fees and  
17 Litigation Costs as approved by the Court, Plaintiffs' Payments (defined below) and the  
18 Settlement Administration Fee as approved by the Court. Subject to the Escalator Payment, as  
19 described in Section 9, Family Dollar's monetary obligations under this Agreement are limited to  
20 the Gross Settlement Amount, and Family Dollar may not be required to contribute additional  
21 monies above the Gross Settlement Amount under any circumstances whatsoever.

22           **Section 1. Definitions.**

23           Unless otherwise defined herein, the following terms used in this Agreement shall have  
24 the meanings ascribed to them as set forth below:

25           (a)   "Family Dollar's Counsel" means:

26                   Elena R. Baca  
27                   Jennifer Milazzo  
28                   Paul Hastings LLP  
                      515 South Flower Street, Twenty-Fifth Floor

Los Angeles, California 90071-2228  
Telephone: (213) 683-6000 / Facsimile: (213) 627-0705

Ryan D. Derry  
Paul Hastings LLP  
101 California Street, Forty-Eighth Floor  
San Francisco, California 94111  
Telephone: (415) 856-7000 / Facsimile: (415) 856-7192

- (b) “Court” means the Superior Court of the State of California for the County of San Bernardino.
- (c) “Covered Employees” means all current and former hourly, non-exempt employees of Family Dollar in California who were paid wages at any time during the Covered Period.
- (d) “Covered Period” means February 7, 2019 to the date the Court approves the Settlement or, pursuant to Section 9 below, the date mutually agreed to by the Parties based on the Escalator Payment, whichever is earlier.
- (e) “Effective Date” means the date this Agreement shall be effective upon the earliest date, following entry of an order by the Court approving the Settlement, upon which one of the following has occurred: (i) expiration of all potential appeal periods without a filing of a notice of appeal of the order; (ii) final affirmance of the order by an appellate court as a result of any appeal(s); or (iii) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the order is no longer subject to further judicial review. The Effective Date shall only apply if the Court has approved the Settlement.
- (f) “Employees Payment” means the total amount of the Net Settlement Amount that shall be distributed to Covered Employees subject to the “Settlement Share” calculation set forth below.
- (g) “Hotinger” means: *Shawn Hotinger, individually and on behalf of other individuals similarly situated, Plaintiff vs. Family Dollar, Inc., a North Carolina corporation; and, DOES 1 through 100, inclusive, Defendant*, pending before Superior Court of the state of California, for the County of Los Angeles, Case No. 20STCV27971.

(h) “Hotinger’s Counsel” means:

Marcus J. Bradley  
 Kiley L. Grombacher  
 Lirit A. King  
 Bradley/Grombacher, LLP  
 31365 Oak Crest Drive, Suite 240  
 Westlake Village, California 91361  
 Telephone: (805) 270-7100 / Facsimile: (805) 270-7589

Sahag Majarian, II  
 Law Offices of Sahag Majarian II  
 18250 Ventura Boulevard  
 Tarzana, California 91356  
 Telephone: (818) 609-0807 / Facsimile: (818) 609-0892

(i) “*Hotinger* Court” means the Superior Court of the State of California for the County of Los Angeles.

(j) “LWDA” means the California Labor and Workforce Development Agency.

(k) “*Martinez*” means: *Terri R. Martinez, on behalf of the general public as private attorney general, Plaintiffs v. Family Dollar, Inc., a North Carolina Corporation, and DOES 1-50, inclusive, Defendants*, pending before Superior Court of the state of California, for the County of San Bernardino, Case No. CIV DS 2001119.

(l) “Martinez’s Counsel” means:

James R. Hawkins  
 Greg Mauro  
 Michael Calvo  
 James Hawkins APLC  
 9880 Research Drive, Suite 800  
 Irvine, CA 92618  
 Telephone: (949) 387-7200 / Facsimile: (949) 387-6676

(m) “Net Settlement Amount” means the amount to be distributed as the LWDA Payment and the Employees Payment after deducting from the Gross Settlement Amount the amounts approved by the Court for the Plaintiffs’ Attorneys’ Fees and Litigation Costs, the Plaintiffs’ Payments, and the Settlement Administration Fee.

(n) “PAGA” means the Labor Code Private Attorneys’ General Act, California Labor Code sections 2698 *et seq.*

(o) “Plaintiffs’ Counsel” means Hotinger’s Counsel and Martinez’s Counsel.

- 1 (p) “Released Claims” means any and all individual and representative claims for relief  
2 under PAGA, of whatever kind or nature, arising during the Covered Period for  
3 Covered Employees based on the facts alleged by Plaintiffs in the Consolidated First  
4 Amended Complaint (“CFAC”), including, but not limited to, Labor Code sections  
5 200-204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1,  
6 1198, 2802, 2699, and any federal counterparts, and Sections 12 and 14 of IWC  
7 Wage Order 7-2001, and any resulting claim for attorneys’ fees and costs under  
8 PAGA based on the facts alleged by Plaintiffs in the CFAC.
- 9 (q) “Released Parties” means Family Dollar and its current and former, direct and  
10 indirect owners, parents, subsidiaries, predecessors and successors, brother-sister  
11 companies, and all other affiliates and related entities, and their current and former  
12 partners, employees, attorneys, agents, and other related parties. The definition of  
13 Released Parties does not extend to *Esco v. Dollar Tree Stores, Inc.*, or any other  
14 litigation against Dollar Tree Stores, Inc.
- 15 (r) “Settlement Administrator” means ILYM Group, Inc., a third-party administrator  
16 who shall administer the Settlement in accordance with this Agreement. The total  
17 costs of the Settlement Administrator to perform its duties under this Agreement  
18 (the “Settlement Administration Fee”) shall be paid from the Gross Settlement  
19 Amount. The Settlement Administration Fee is not to exceed twenty-seven  
20 thousand five hundred dollars (\$ 27,500.00). If the final costs from the Settlement  
21 Administrator exceed this amount, Plaintiffs’ Counsel shall pay for the difference  
22 between this agreed-to maximum Settlement Administration Fee amount and the  
23 final costs from their “Attorneys’ Fees and Litigation Costs Payment.” In no event  
24 shall Family Dollar be responsible for any additional costs for the Settlement  
25 Administrator beyond any amount approved by the Court to be paid from the Gross  
26 Settlement Amount.
- 27  
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- 1 (s) "Settlement Pay Period" means the number of payroll periods during which each  
2 Covered Employee was paid wages as an hourly non-exempt employee for  
3 employment in California at Family Dollar during the Covered Period.  
4

5 **Section 2. Background.**

- 6 (a) On September 27, 2019, Martinez commenced litigation on behalf of herself, other  
7 allegedly aggrieved employees, and the State of California by submitting a letter to  
8 the LWDA in which she alleged that Family Dollar failed to provide meal periods  
9 and rest breaks, failed to pay for all hours worked, failed to reimburse all necessary  
10 business expenses, failed to provide accurate, itemized wage statements, and failed  
11 to timely pay wages at termination. On January 14, 2020, Martinez filed a single  
12 cause of action for civil penalties under PAGA alleging the same wage-and-hour  
13 claims asserted in her LWDA notice ("*Martinez*").  
14 (b) On May 19, 2020, Hotinger commenced litigation on behalf of herself, other  
15 allegedly aggrieved employees, and the State of California by submitting a letter to  
16 the LWDA in which she alleged that Family Dollar failed to provide meal periods  
17 and rest breaks, failed to pay for all hours worked, failed to provide suitable seating,  
18 failed to provide accurate, itemized wage statements, and failed to timely pay wages  
19 at termination. On July 24, 2020, Hotinger filed a single cause of action for civil  
20 penalties under PAGA alleging the same wage-and-hour claims asserted in her  
21 LWDA notice ("*Hotinger*").  
22 (c) Family Dollar has denied, and continues to deny, any wrongdoing in regard to the  
23 alleged violations encompassed by this Agreement.  
24 (d) Before reaching this Settlement, the Parties engaged in investigation, informal  
25 discovery, and settlement discussions.  
26 (e) This Agreement is the result of arms-length negotiation between the Parties and  
27 mediation with mediator Hon. Jay Gandhi (Ret.) on November 5, 2020.  
28 (f) The Settlement contemplates all of the following:

1. Hotinger was to submit an amended PAGA notice with the LWDA and simultaneously serve a copy on Family Dollar's Counsel, to conform to the claims raised prior to mediation and mediated, including claims for civil penalties arising from or relating to alleged violations of Labor Code section 2802 on behalf of all Covered Employees, including, but not limited to, claims for (1) a failure to pay for all time worked related to store closing procedures; and (2) a failure to reimburse expenses for any required uniforms ("Amended PAGA Notice"). On December 9 2020, for the purposes of this Settlement, Hotinger submitted this Amended PAGA Notice.
2. For the purposes of this Settlement only, and provided that no notice is received from the LWDA consistent with California Labor Code section 2699.3(a)(2) in response to the Amended PAGA Notice, Hotinger will move to join *Martinez* through a CFAC in *Martinez*. Martinez's allegations will remain unchanged but Plaintiffs will add through amendment: (i) Hotinger's current factual bases for her cause of action under PAGA; and (ii) Hotinger's factual allegations related to the alleged failure to pay for all time worked associated with the store closing procedures and for alleged violations of Labor Code section 2802 for any required uniforms, consistent with the Amended PAGA Notice. All claims asserted in the CFAC shall relate back to February 7, 2019, and Family Dollar agrees, for purposes of this Settlement only, not to challenge the asserted limitations period starting February 7, 2019. Within fourteen days (14) of submission of the Amended PAGA Notice, Plaintiffs will email the proposed CFAC to counsel for Family Dollar's Counsel for Family Dollar's review and approval.
3. Once the CFAC is prepared and agreed to and this Agreement is signed, Plaintiffs shall file with the Court: (i) a motion seeking leave to file the CFAC; and (ii) a motion for approval of the Settlement (collectively,

1 “Motions for Settlement”). The Motions for Settlement shall be noticed to  
2 be heard on the same day, at least sixty-five (65) days after Hotinger’s  
3 submission of the Amended PAGA Notice to the LWDA. Should the  
4 LWDA serve notice under California Labor Code section 2699.3(a)(2) in  
5 response to the Amended PAGA Notice, Plaintiffs shall withdraw their  
6 Motions for Settlement and this Agreement shall be null and void. Should,  
7 for whatever reason, the Settlement set forth in this Agreement not be  
8 approved by the Court and/or the Effective Date not triggered, the Amended  
9 PAGA Notice and the CFAC shall be deemed stricken, null and void *ab*  
10 *initio*, with the previously filed complaints in the actions remaining the  
11 operative pleadings in *Hotinger* and *Martinez*, respectively.

- 12 4. Within three (3) days of filing the Motions for Settlement, Hotinger will  
13 dismiss *Hotinger* without prejudice, with each side to bear its own costs and  
14 attorneys’ fees as to that action, because Hotinger will be proceeding jointly  
15 with Martinez on behalf of the State of California as they pursue the PAGA  
16 claims asserted in the CFAC.
- 17 5. Within three (3) days of the entry of order approving the Settlement,  
18 Plaintiffs will dismiss *Martinez* with prejudice, with each side to bear its own  
19 costs and attorneys’ fees.
- 20 6. Entry of an order by the Court granting approval of the payment for  
21 settlement of the PAGA penalties, pursuant to California Labor Code  
22 section 2699(1)(2).
- 23 7. Plaintiffs’ execution of a general release (including a waiver of California  
24 Civil Code section 1542) in exchange for a payment not exceeding Seven  
25 Thousand Five Hundred Dollars (\$ 7,500.00) to each Plaintiff (“Plaintiffs’  
26 Payments”). Plaintiffs’ Payments will be paid in a lump sum, without  
27 payroll tax deductions and withholding, and Hotinger and Martinez will each  
28 be issued a Form 1099 as to their respective payment.



1 **Section 3.**     **Attorneys' Fees and Litigation Costs Payment and Plaintiffs' Payments**

2        Subject to Court approval, Plaintiffs' Counsel will request and be paid from the Gross  
3 Settlement Amount, "Attorneys' Fees and Litigation Costs Payment" of up to: (i) Two Hundred  
4 Eight Thousand Three Hundred Thirty-Four Dollars (\$ 208,334.00) for attorneys' fees; and  
5 (ii) Twenty Thousand Dollars (\$ 20,000.00) for litigation costs (for a total maximum Attorneys'  
6 Fees and Litigations Costs Payment of \$ 228,334.00), which Family Dollar will not oppose.  
7 Plaintiffs' Counsel agree not to petition the Court for any additional payments for fees, costs or  
8 interest. The Attorneys' Fees and Litigation Costs Payment approved by the Court shall constitute  
9 full satisfaction of Family Dollar's and/or any of the Released Parties' obligations to pay amounts  
10 to any person, attorney, or law firm for attorneys' fees, expenses, or costs incurred on behalf of the  
11 Plaintiffs, the State of California, the LWDA and/or the Covered Employees arising out of the facts  
12 asserted in the CFAC, and shall relieve the Released Parties from any other claims or liability to  
13 any other attorney or law firm for any attorneys' fees, expenses, and/or costs to which any of them  
14 may claim to be entitled on behalf of the Plaintiffs, the LWDA or the Covered Employees. Except  
15 as expressly provided herein, Family Dollar and Plaintiffs shall each bear their own attorneys' fees  
16 and costs.

17        The Parties agree that the Court need not approve Plaintiffs' Payments pursuant to PAGA.  
18 However, Plaintiffs' Payments are conditioned on (i) the Court approving this Agreement, (ii) the  
19 Court entering judgment pursuant to the Motions for Settlement, and (iii) Plaintiffs' execution of  
20 standalone general releases as described in Section 12, below.

21 **Section 4.**     **Cooperation.**

22        The Parties will cooperate in obtaining, through a motion for settlement approval in  
23 *Martinez*, an order from the Court approving the Agreement, dismissing *Martinez* with prejudice  
24 (subject to the Court's retention of jurisdiction to enforce the terms of the Settlement under Code  
25 of Civil Procedure section 664.6), and payment of PAGA penalties as described herein, pursuant  
26 to California Labor Code section 2699(1)(2), at the earliest possible date.

27        Plaintiffs will provide a draft of the motion for settlement approval to Family Dollar by no  
28 later than January 6, 2021. Plaintiffs will file the motion for settlement approval on the same day



1 that they file their motion seeking leave to file the CFAC, and both motions shall be noticed to be  
2 heard on the same day, at least sixty-five (65) days after Hotinger's submission of the Amended  
3 PAGA Notice to the LWDA. If the Court does not grant the Settlement Motions and issue the  
4 final order approving the Settlement, under the specific terms requested, the Parties agree to meet  
5 and confer to address the Court's concerns and determine whether resolution can be obtained in a  
6 manner consistent with the Court's concerns. The Parties further agree to fully cooperate in the  
7 drafting and/or filing of any further documents or filings reasonably necessary to be prepared or  
8 filed, and shall take all steps that may be requested by the Court relating to, or that are otherwise  
9 necessary to the approval and implementation of, the payment of PAGA penalties as described in  
10 this Agreement.

11 **Section 5.**      **Submission to LWDA and Court Approval.**

12            In connection with the Settlement Motions, Plaintiffs' Counsel shall submit this  
13 Agreement to the Court for its approval and, at the same time, submit this Agreement to the  
14 LWDA, pursuant to California Labor Code section 2699(1)(2). Plaintiffs' Counsel shall also  
15 submit to the Court a proposed order approving this Agreement, retaining jurisdiction pursuant to  
16 Code of Civil Procedure section 664.6 to enforce its terms, and dismissing *Martinez* with  
17 prejudice.

18            Should the Court not grant approval of this Agreement including the payment of the  
19 aggregate amount of the Gross Settlement Amount as described in this Agreement, then the  
20 entirety of this Agreement shall be null and void, but the Parties will use best efforts to obtain  
21 approval.

22 **Section 6.**      **Settlement Payment Procedures.**

23            (a)      Covered Employees Data

- 24                    1.      No later than thirty (30) calendar days after the Court's approval of the  
25                                  Settlement, Family Dollar shall provide the Settlement Administrator with a  
26                                  list of the Covered Employees (the "Covered Employees List"). The  
27                                  Covered Employees List shall state each Covered Employee's (1) first and  
28                                  last name, (2) last known address, (3) last known phone number, (4) Social

1 Security number, and (5) the Settlement Pay Periods for each Covered  
2 Employee. This information shall be treated as and remain completely  
3 confidential and shall be used solely to manage the settlement administration  
4 process described herein. The Settlement Administrator shall not share or  
5 disclose the Covered Employees List to Plaintiffs' Counsel, Plaintiffs or any  
6 other person or entity.

7 (b) Deposit and Distribution of Settlement Fund

- 8 1. No more than five (5) calendar days after the Effective Date, the Settlement  
9 Administrator will provide Family Dollar with wire transfer information.
- 10 2. No later than twenty (20) calendar days after the Settlement Administrator  
11 provides Family Dollar with the wire transfer information, Family Dollar  
12 will transfer the Gross Settlement Amount to the Settlement Administrator  
13 via wire transfer(s).
- 14 3. No later than fourteen (14) calendar days after Family Dollar transfers the  
15 Gross Settlement Amount to the Settlement Administrator, the Settlement  
16 Administrator shall distribute the Employees Payment to the Covered  
17 Employees (as described in Section 6(c) below), the Attorneys' Fees and  
18 Litigation Costs Payment, the Settlement Administration Fee, the LWDA  
19 Payment, and Plaintiffs' Payments.
- 20 4. Prior to the mailing, the Settlement Administrator shall update the addresses  
21 contained in the Covered Employees List using the National Change of  
22 Address database. If any Settlement Share to a Covered Employee is  
23 returned as undeliverable, the Settlement Administrator shall search the  
24 National Change of Address database again for a more current address of the  
25 Covered Employee and re-mail the Settlement Share to any alternative or  
26 updated address that is located, within five (5) calendar days.
- 27  
28

1                   5.       All payments provided for by this Agreement shall be made by the  
2                               Settlement Administrator in accordance with this Agreement and the Court's  
3                               order approving this Agreement.

4       (c)     Distribution of Net Settlement Amount.

5               1.       The Net Settlement Amount is considered to be non-wage penalties and will  
6                               be paid without reduction for any taxes or other withholdings, and will be  
7                               reported on an IRS Form 1099 (if required).

8                       i.       Seventy Five Percent (75%) of the Net Settlement Amount  
9                               shall be paid to the LWDA (the "LWDA Payment").

10                      ii.      Twenty Five Percent (25%) of the Net Settlement Amount  
11                               shall be distributed to the Covered Employees ("Employees  
12                               Payment").

13               2.       The Employees Payment shall be distributed to each Covered Employee  
14                               based on his or her respective "Settlement Share." For purposes of  
15                               calculating each Covered Employee's Settlement Share, each Covered  
16                               Employee will be credited with one (1) unit for each payroll period that he  
17                               or she was paid wages in California during the Covered Period ("Covered  
18                               Pay Periods"). Each Covered Employee's Settlement Share will equal the  
19                               Employees Payment times a ratio of (a) the Covered Employee's unit(s) to  
20                               (b) the total number of Covered Pay Periods.

21               3.       The Settlement Administrator shall issue to all Covered Employees (i) a  
22                               notice to each Covered Employee generally in the form of Exhibit A,  
23                               attached hereto; (ii) a check for their respective Settlement Share; and (iii)  
24                               an IRS Form 1099 for their respective Settlement Share.

25               4.       Checks issued to Covered Employees shall remain valid for one hundred  
26                               eighty (180) days. All checks issued to Covered Employees that have not  
27                               been cashed or deposited within the 180-day period will be cancelled, and  
28                               the funds associated with such cancelled checks will be transmitted by the

1 Settlement Administrator to the Controller of the State of California to be  
2 held pursuant to the Unclaimed Property Law, California Civil Code § 1500  
3 *et seq.*, in the names and corresponding amounts associated with each  
4 Covered Employee whose check(s) are cancelled.

5 5. The Settlement Administrator shall transmit the LWDA Payment to the  
6 LWDA as one lump sum payment.

7 6. If required by the Court, following distribution of the Gross Settlement  
8 Amount, and transmission of any remaining funds to the Controller of the  
9 State of California, as detailed in Section 6(c)(4), the Settlement  
10 Administrator shall be responsible for preparing and Plaintiffs' Counsel shall  
11 file a declaration confirming distribution of the Gross Settlement Amount  
12 consistent with this Agreement.

13 (d) Plaintiffs, Plaintiffs' Counsel, Family Dollar, and Family Dollar's Counsel make no  
14 representations or warranties with respect to tax consequences of any payment under  
15 this Agreement, do not intend anything contained in this Agreement to constitute  
16 advice regarding taxes or taxability, and nothing in this Agreement may be relied  
17 upon as such. Plaintiffs, Plaintiffs' Counsel and Covered Employees will be solely  
18 responsible for correctly characterizing any compensation received under the  
19 settlement on their respective personal income tax returns for tax purposes, and  
20 paying all appropriate taxes due and penalties assessed on any and all amounts paid  
21 to them under this settlement. Covered Employees will hold the Parties free and  
22 harmless from and against any claims resulting from treatment of such payments as  
23 non-taxable damages, including the treatment of such payment as not subject to  
24 withholding or deduction for payroll and employment taxes.

25 **Section 7. No Admission.**

26 This Agreement and compliance with this Agreement shall not be construed as an  
27 admission by Family Dollar of any liability whatsoever, or as an admission by Family Dollar of  
28 any violations of Plaintiffs' or the Covered Employees' rights, or any violations of any order, law,

1 statute, duty or contract whatsoever. Family Dollar specifically disclaims any liability to  
2 Plaintiffs or any of the allegedly Covered Employees or the LWDA for any alleged violation of  
3 rights, or for any alleged violation of any order, law, statute, duty or contract.

4 **Section 8. Non-Evidentiary Use.**

5 Neither this Agreement nor any of its terms shall be offered or used as evidence by any of  
6 the Parties, or their respective counsel in *Martinez, Hotinger*, or in any other action or  
7 proceeding; provided, however, this shall not prevent this Agreement from being used, offered, or  
8 received in evidence in any action or proceeding to enforce, construe, or finalize this Agreement  
9 as to any person or entity covered by this Agreement.

10 **Section 9. Escalator Payment.**

11 For the purposes of mediation, the Parties estimated 66,266 pay periods for Covered  
12 Employees between February 7, 2019 and November 5, 2020. The Parties agree that Family  
13 Dollar will not be required to make any payment in excess of the Gross Settlement Amount if, at  
14 the time the Court approves the Settlement, the number of Settlement Pay Periods is 86,000 or  
15 fewer. If the total number of Settlement Pay Periods worked by Covered Employees as of the  
16 time of Court approves the Settlement exceeds 86,000, then Family Dollar will pay \$9.43 for each  
17 Settlement Pay Period in excess of 86,000 that Family Dollar seeks to include in the Covered  
18 Period ("Escalator Payment").

19 **Section 10. Nullification.**

20 If the Court does not approve filing of the CFAC, grant approval of the Agreement  
21 without material modifications, or if the Court's final approval of the Agreement is reversed or  
22 materially modified on appellate review, then this Agreement shall be considered null and void.  
23 However, the Parties will make best efforts to satisfy any concerns expressed by the Court,  
24 including negotiating in good faith with respect to any suggested modification of the Agreement,  
25 so as to obtain approval for the Settlement. A modification of amounts payable for Plaintiffs'  
26 Attorneys' Fees and Litigation Costs Payment or Plaintiffs' Payments shall not be deemed a  
27 material modification of the Settlement.  
28

**Section 11. Release by Plaintiffs, Covered Employees, and State of California.**

Upon the approval by the Court of this Agreement, Plaintiffs, all Covered Employees, and the State of California shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from the Released Claims.

**Section 12. General Release by Plaintiffs.**

Upon the approval by the Court of this Agreement, in exchange for Plaintiffs' Payments, the Employee Payments, and the other terms and conditions of the Settlement, Plaintiffs agree to enter into standalone, confidential general releases, wherein they will release, acquit, and forever discharge Released Parties, or any of them, from any and all known and unknown claims. The general releases will waive the protection of California Civil Code section 1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

Execution of standalone, confidential general releases is a condition precedent to Plaintiffs' receipt of Plaintiffs' Payments.

**Section 13. Confidentiality Preceding Court Approval.**

Prior to filing of the Settlement Motions, Plaintiffs and their attorneys will not issue any press or other media releases or have any communication with the press or media or anyone other than family members, clients, Covered Employees, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement. If, before the filing of the motion for settlement approval, Plaintiffs or their attorneys disclose to any unauthorized party (a) that a settlement has been reached or (b) any of the terms of the Settlement except as required by law or to effect the Settlement, Family Dollar may rescind the Settlement, rendering it null and void.

**Section 14. Voluntaryness.**

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or any other person, firm or other entity.

1 **Section 15. Fair, Adequate, and Reasonable Settlement.**

2 The Parties agree that the Settlement is fair and reasonable and will so represent to the  
3 Court.

4 **Section 16. Amendments.**

5 The terms and provisions of this Agreement may be amended only by a written agreement  
6 that is both: (a) signed by Plaintiffs, Family Dollar, Plaintiffs' Counsel and Family Dollar's  
7 Counsel, and (b) approved by the Court. Any waiver of any provision of this Agreement shall not  
8 constitute a waiver of any other provision of this Agreement unless expressly so indicated  
9 otherwise.

10 **Section 17. Assignment.**

11 None of the rights, commitments, or obligations recognized under this Agreement may be  
12 assigned by any Party, Covered Employee, Plaintiffs' Counsel, or Family Dollar's Counsel  
13 without the express written consent of each other Party and their respective counsel hereto. The  
14 representations, warranties, covenants, and agreements contained in this Agreement are for the  
15 sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or  
16 to avail any remedy to any other person. Plaintiffs expressly warrant that they have not  
17 transferred to any person or entity any right or cause of action, or claim released by this  
18 Agreement.

19 **Section 18. Governing Law.**

20 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties  
21 shall be determined, in accordance with the laws of the State of California.

22 **Section 19. Entire Agreement.**

23 This Agreement contains the entire understanding of the Parties hereto in respect of the  
24 subject matter contained herein. This Agreement supersedes all prior agreements and  
25 understandings among the Parties hereto with respect to the Settlement.

26 **Section 20. Counterparts.**

27 This Agreement, and any amendments hereto, may be executed in any number of  
28 counterparts and any Party and/or their respective counsel hereto may execute any such



1 counterpart, each of which when executed and delivered shall be deemed to be an original and all  
2 of which counterparts taken together shall constitute but one and the same instrument. It shall not  
3 be necessary in making proof of this Agreement or any counterpart hereof to produce or account  
4 for any of the other counterparts. A facsimile, scanned or digital signature, including DocuSign,  
5 shall be treated as an original signature for all purposes.

6 **Section 21.    Dispute(s).**

7        Should any dispute(s) arise among the Parties or their respective counsel regarding the  
8 implementation or interpretation of this Agreement, the Parties agree to submit any such  
9 dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this  
10 Agreement in Court or before the Court, the prevailing party shall be entitled to recover  
11 reasonable attorneys' fees and costs.

12 **Section 22.    Dismissal and Continuing Jurisdiction.**

13        The Parties agree that upon the occurrence of the dismissal with prejudice of *Martinez*  
14 pursuant to the terms of this Agreement, this Agreement shall be enforceable by the Court  
15 pursuant to Code of Civil Procedure section 664.6, and the Court shall retain exclusive and  
16 continuing equity jurisdiction over *Martinez* and over all Parties and Covered Employees to  
17 interpret and enforce the terms, conditions and obligations of the Agreement. Plaintiffs' Counsel  
18 shall submit a copy of the order approving this Agreement and dismissing *Martinez* and a copy of  
19 any other order providing for or denying an award of civil penalties with prejudice to the LWDA  
20 within ten (10) days after entry of the order, in compliance with California Labor Code  
21 section 2699(1)(3). If Plaintiffs fail to satisfy this condition in strict compliance with  
22 section 2699(1)(3) of the California Labor Code, the Settlement shall be voidable at Family  
23 Dollar's option.

24 ///

25 ///

26 ///

IN WITNESS WHEREOF, the Parties, Plaintiffs' Counsel and Family Dollar's Counsel have executed this Agreement on the last date set forth below.

**APPROVED AND ACCEPTED.**

Dated: 1-22, 2021

DocuSigned by:  
Shawn Hotinger  
04F301AEB1DE4A4  
SHAWN HOTINGER

Dated: \_\_\_\_\_, 2021

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**TERRI MARTINEZ**

Dated: \_\_\_\_\_, 2021

## DEFENDANT FAMILY DOLLAR

By:

**BETH HIRSCH BERMAN**  
DEPUTY GENERAL COUNSEL

Dated: 1/22, 2021

### COUNSEL FOR HOTINGER:

By:

MARCUS J. BRADLEY

Dated: \_\_\_\_\_, 2021

### COUNSEL FOR MARTINEZ

By:

JAMES R. HAWKINS

Dated: \_\_\_\_\_, 2021

## COUNSEL FOR DEFENDANT FAMILY DOLLAR

By:

---

ELENA R. BACA

LEGAL\_US\_W # 105921994.11

IN WITNESS WHEREOF, the Parties, Plaintiffs' Counsel and Family Dollar's Counsel have executed this Agreement on the last date set forth below.

APPROVED AND ACCEPTED.

Dated: \_\_\_\_\_, 2021

SHAWN HOTINGER

-DocuSigned by:

Terri Martinez

5F0233F19FAB469...  
TERMINAL MARINEZ

Dated: 1/25/21, 2021

Dated: 1/27/21, 2021

DEFENDANT FAMILY DOLLAR

By: R.N. Husein Ben

BETH HIRSCH BERMAN  
DEPUTY GENERAL COUNSEL

Dated: \_\_\_\_\_, 2021

COUNSEL FOR HOTINGER:

By:

MARCUS J. BRADLEY

Dated: January 26, 2021

COUNSEL FOR MARTINEZ

By:

JAMES R. HAWKINS

Dated: January 26, 2021

COUNSEL FOR DEFENDANT FAMILY DOLLAR

By:

ELENA R. BACA

LEGAL US W # 105921994.11