

SETTLEMENT AND RELEASE AGREEMENT

1. Parties. The Parties to this Agreement are Raynee Donaldson, Donaldson (for yourself, your family, beneficiaries and anyone acting for you) (“You”), and Burlington Distribution Corp. (“Burlington”).

You and Burlington are parties to lawsuits now pending before the Superior Court of the State of California, County of San Bernardino, Case Nos. CIV SB 2218787 and CIVSB2229075 (the “Lawsuits”). You and Burlington are interested in avoiding all further legal costs and disputes and in fully and expeditiously resolving all claims, charges, or issues of law or fact that were or could have been raised by You against Burlington as of the date You sign this Agreement.

2. Consideration. The Lawsuits involve claims by You related to Your employment by Burlington, including Your individual claims as well as putative class action claims. The Parties agree that Your individual claims are subjected to individual arbitration because the Parties entered into a binding and enforceable arbitration agreement with a class action waiver, which precludes You from bringing such claims on a class-wide basis. In complete settlement of all claims that You have or may have against Burlington and subject to the terms below, Burlington agrees to pay the gross sum of \$10,000.00 (Ten Thousand Dollars and Zero Cents) (“Settlement Payment”) to be apportioned as follows:

- \$200.00, penalties attributed to your individual claims under the Private Attorney General Act (“PAGA”). Seventy five percent (75%) of this amount, or \$150 will be remitted to the California Labor Workforce Development Agency (“LWDA”), PAGA Payment Division. Twenty Five percent (25%) of this amount, or \$50 will be paid to You, representing your portion of PAGA penalties attributed to your claims. A Form 1099-MISC will be issued to You, for the payment received.
- \$2,500.00, minus applicable deductions and withholdings, for lost wages by check made payable to You. Burlington will issue an IRS Form W-2 to You reflecting this payment.
- \$2,500.00 by check made payable to You for non-wage compensation including but not limited to liquidated damages, statutory penalties and civil penalties. Burlington requires an IRS Form W-9 from You.
- \$4,800.00, for attorney fees and costs of which \$4,007.71 are costs, by check made payable to James Hawkins APLC. Burlington requires an IRS Form W-9 from James Hawkins APLC.

Burlington will report the payment(s) above to the IRS as required by law. You acknowledge that You have not relied on any statements or representations by Burlington or its attorneys with respect to the tax treatment of the payments described in this section. If any taxing body determines that the tax treatment was incorrect and that greater amounts should have been withheld from any payment above (or any part thereof), You acknowledge and assume all responsibility for paying those amounts and further agree to indemnify and hold Burlington harmless for payment of any additional taxes and any interest and penalties thereon.

Both Parties warrant that they are not aware of any attorneys' liens placed on this matter that are not otherwise resolved by this Agreement.

You agree that the payments above are consideration for the promises by You contained herein and that Burlington was not otherwise obligated to make these payments.

After receipt of the W-9s referenced above, Burlington's obligations to make the payments above shall become due thirty (30) business days after (i) Burlington receives this Agreement executed by You; and (ii) Burlington receives an Order from the Court dismissing Your individual claims in the Lawsuits with prejudice and the class claims in the Lawsuits without prejudice.

3. Dismissal of Lawsuits. The Parties agree that dismissal of the Lawsuits with prejudice as to Plaintiff's individual claims and without prejudice as to the class claims and without assessment of attorneys' fees or costs, is a condition precedent to Burlington's promises in this Agreement. You agree to file the Requests for Dismissal of the Lawsuits with prejudice as to Plaintiff's individual claims and without prejudice as to the putative class action Lawsuit's class claims and to take any other action that may be required to achieve those dismissals, including but not limited to a declaration pursuant to Rule 3.770 of the California Rules of Court.

4. General Release. You release for yourself only, Burlington (plus its parents, subsidiaries, affiliates, predecessors, successors and any other entity related to it and all of its and their past and present directors, officers, employees and anyone else acting for any of them – all together "Releasees") from all claims of any type to date, known or unknown, suspected or unsuspected, to the fullest extent allowed by law, including but not limited to anything to do with Your employment or the end of Your employment. This means You give up all claims and rights related to:

- Pay/compensation/benefits including backpay, frontpay, bonuses, commissions, equity, expenses, incentives, insurance, paid/unpaid leave/time off, profit sharing, salary, or separation pay/benefits;
- compensatory, emotional or mental distress damages, punitive or liquidated damages, attorney fees, costs, interest or penalties, including but not limited to, statutory penalties and civil penalties under the California Labor Code;
- violation of express or implied employment contracts, covenants, promises or duties, intellectual property or other proprietary rights;
- unlawful or tortious conduct such as assault or battery; background check violations; defamation; detrimental reliance; fiduciary breach; fraud; indemnification; intentional or negligent infliction of emotional distress; interference with contractual or other legal rights; invasion of privacy; loss of consortium; misrepresentation; negligence (including negligent hiring, retention or supervision); personal injury; promissory estoppel; public policy violation; retaliatory discharge; safety violations; posting or records-related violations; wrongful discharge; or other federal, state or local statutory or common law matters;

- discrimination, harassment or retaliation based on age, benefit entitlement, citizenship, color, concerted activity, disability, ethnicity, gender, gender identity and expression, genetic information, immigration status, income source, jury duty, leave rights, military status, national origin, parental status, reproductive health decisionmaking, protected off-duty conduct, race, religion, retaliation, sexual orientation, union activity, veteran status, whistleblower claims in court (including under Sarbanes-Oxley, Dodd-Frank, and the False Claims Act), other legally protected status or activity; or any allegation that payment under this Agreement was affected by any such discrimination, harassment or retaliation; and
- participation in any class, collective, or representative action against any Releasee.
- in your role as private attorney general, on behalf of the state of California, You release all PAGA claims arising out of or related to any alleged violation of the California Labor Code that You allegedly suffered.

5. State Law Requirement.

- **California.** Nothing in any part of this Agreement waives or limits Your right to testify truthfully in administrative, legislative, or judicial proceeding relating to alleged criminal conduct or alleged sexual harassment, pursuant to a written request from an administrative agency or legislature, or in court pursuant to subpoena or court order. You waive all rights under California Civil Code § 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.”
- **New Jersey.** This Agreement releases claims under the N.J. Conscientious Employee Protection Act (N.J. Stat. Ann. 34:19-1 et. seq.).[Nothing in any part of this Agreement limits Your rights to make truthful disclosure of factual information related to any claim(s) You have or may have alleging any unlawful discrimination.

6. Release Exclusions and Other Exceptions. Nothing in this Agreement restricts Your rights with respect to claims or disputes that arise after the date You sign this Agreement or the factual basis thereof, including but not limited to: claims for breach of this Agreement; and claims that cannot be waived, such as for unemployment or worker’s compensation benefits. *Nothing in any part of this Agreement* limits Your rights to: (i) file a charge or complaint with any administrative agency, such as , or the U.S. Securities and Exchange Commission (SEC), or communicate directly with or provide information (including testimony) to an agency, or otherwise participate in an agency proceeding; (ii) communicate with law enforcement or Your attorney. You nonetheless give up all rights to any money or other individual relief based on any agency or judicial decision, including class or collective action rulings. However, You may receive money properly awarded by the SEC as a reward for providing information to that agency.

7. *Covenant Not to Sue.* You warrant that You have no pending any civil or administrative complaints, claims or actions against Burlington or any of the Releasees other than the Lawsuits. Except for the exclusions contained in paragraph 6, you covenant not to bring any civil or administrative claims, complaints or actions against Burlington or any of the Releasees based on any conduct or events preceding Your execution of this Agreement, including but not limited to conduct You allege in the Lawsuits.

8. *Confidentiality of Agreement.* This Agreement is strictly confidential. You will not communicate this Agreement's terms to any third party, whether verbally or in writing, by any means, including by social media. Any disclosure by You will cause Burlington irreparable harm that money cannot undo. Accordingly, violation of this section will entitle Burlington to temporary and permanent injunctive relief. Except as required by law, You have not disclosed and will not disclose any term of this Agreement, including any payment under this Agreement, to anyone except Your immediate family members and Your legal/financial advisors. Each of them is bound by this Confidentiality of Agreement provision, and a disclosure by any of them is a disclosure by You.

9. *Whistleblowing.* You agree that (i) no one interfered with Your ability to report within Burlington possible violations of any law, and (ii) it was Burlington's policy throughout Your employment to encourage such reporting.

10. *Non-Disparagement.* Except as provided in this Agreement's Release Exclusions and Other Exceptions, You promise not to do or say anything, verbally or in writing, directly or indirectly, that disparages, reflects negatively on or otherwise detrimentally affects any Releasee.

11. *Non-Admission.* Neither Burlington's offer reflected in this Agreement nor any payment under this Agreement are an admission that You have a viable claim against Burlington or any other Releasee. Each Releasee denies all liability. The Parties agree that, except as otherwise provided herein, they shall bear their own respective attorneys' fees and costs. Neither You nor Burlington shall be viewed as a prevailing party by virtue of executing this Agreement.

12. *Applicable Law.* This Agreement shall be interpreted under federal law if that law governs, and otherwise under the laws of California, without regard to its choice of law provisions.

13. *Dispute Resolution.* Any dispute regarding this Agreement will be decided through binding arbitration to take place: (i) in California and (ii) under the American Arbitration Association Employment Arbitration Rules and Mediation Procedures, as amended, but excluding application of the Supplementary Rules for Class Arbitrations effective as of October 10, 2003. Also excluded from this Dispute Resolution requirement are pre-judgment actions for injunctive relief to enforce the terms of this Agreement. Both Parties waive their right to a jury trial.

14. *Joint Participation of Agreement.* The Parties hereto participated jointly in the negotiation and preparation of this Agreement, and each party has had the opportunity to obtain the advice of legal counsel and to review, comment upon, and redraft this Agreement. Accordingly, it is agreed that no rule of construction shall apply against any party or in favor of any party. This Agreement shall be construed as if the Parties jointly prepared this Agreement, and any uncertainty or ambiguity shall not be interpreted against any one party and in favor of the other.

15. *Enforceability.* If a court (or arbitrator) finds any part of this Agreement unenforceable, that part shall be modified and the rest enforced. If a court (or arbitrator) finds any such part incapable of being modified, it shall be severed and the rest enforced. A decision not to enforce this Agreement does not waive any future violation.

16. Enforcement. If You breach this Agreement, Burlington and/or the Releasees shall be entitled to preliminary and permanent injunctive relief plus attorneys' fees incurred by them in enforcing this Agreement, unless otherwise expressly provided elsewhere in this Agreement, plus any additional relief determined to be appropriate.

17. Entire Agreement. This Agreement is the complete understanding between You and Burlington. It replaces any other agreements, representations or promises, written or oral. This Agreement cannot be modified, except in writing signed by You and an authorized representative of Burlington.

18. Other Representations. You agree:

- The payments and other consideration provided in this Agreement are not related to sexual harassment or sexual abuse;
- You have had the opportunity to negotiate this Agreement with Burlington, and this Agreement shall not be construed for or against either party as a drafter of its terms;
- This Agreement resolves disputed claims. As there exists a bona fide dispute of wages, premium pay, and penalties owed, You acknowledge that You have received all wages undisputedly owed and would not be entitled to any compensation under the Agreement if You did not provide a release of all disputed wages, premium pay, and penalties and that the Settlement Payment relates to such claims for disputed wages, premium pay, and penalties;
- You were advised in writing, by getting a copy of this Agreement, to consult with an attorney before signing below; and
- You are signing this Agreement knowingly and voluntarily.

DocuSigned by:
By:  5/4/2023
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KAYNEE DONALDSON (Date)

DocuSigned by:

 By: 0DD58595A7314A2...
 Burlington Distribution Corp. (Date)

Name: Mark McCullough
Title: VP Assistant General Counsel