

## SETTLEMENT AGREEMENT AND RELEASE

This SETTLEMENT AGREEMENT AND RELEASE (the “Agreement”) is made by and between Justine Jones (“Plaintiff” or a “Party”) and the North Carolina Department of State Treasurer (“NCDST” or a “Party”) and Dale Folwell (“Folwell” or a “Party”) (collectively “Defendants” or “Parties”), collectively referred to herein as the “Parties.”

### RECITALS

1. Plaintiff and Defendants are parties to a lawsuit pending in the United States District Court of the Eastern District of North Carolina, captioned *Justine Jones v. North Carolina Department of State Treasurer and Dale Folwell*, No. 2:250cv000039-BO-RJ (the “Litigation”).
2. The Parties have agreed to resolve all disputes between them, with no Party or its Affiliates (as defined below) admitting any fault or liability whatsoever.

### TERMS

1. In this Agreement, the following terms have the following meanings:
  - (a) “Plaintiff Affiliates” shall mean the successors, heirs, assigns, representatives, agents, and attorneys of Plaintiff.
  - (b) “Defendants’ Affiliates” shall mean the successors, assigns, representatives, agents, employees, insurers, divisions, officers, directors, elected officials, benefit plans, benefit plan administrators, and attorneys of Defendants. For the avoidance of doubt, Defendants’ Affiliates includes the Local Government Commission and the State and Local Government Financial Division
2. Plaintiff, on behalf of Plaintiff and the Plaintiff Affiliates, hereby releases and discharges Defendants and the Defendants’ Affiliates from any and all claims, causes of action, suits, charges, grievances, complaints, promises, and demands, known or unknown, arising before the date that Plaintiff executes this Agreement, and waives all rights and claims, known or unknown, that Plaintiff may have or claim to have against Defendants or the Defendants’ Affiliates, arising before the date that Plaintiff executes this Agreement, including, but not limited to, all claims or rights arising under: (i) the Age Discrimination in Employment Act of 1967 (the “ADEA”), (ii) the Older Workers’ Benefit Protection Act of 1990 (the “OWBPA”), (iii) Title VII of the Civil Rights Act of 1964 (“Title VII”), (iv) Section 1981 of the Civil Rights Act of 1866 (“Section 1981”), (v) the Americans with Disabilities Act (the “ADA”), (vi) the Family and Medical Leave Act of 1993 (the “FMLA”), (vii) the Employee Retirement Income Security Act of 1974 (“ERISA”), (viii) the Fair Labor Standards Act of 1934 (the “FLSA”), (ix) the Genetic Information Nondiscrimination Act of 2008 (“GINA”), (x) the North Carolina Equal Employment Practices Act (the “EEPA”), (xi) the North Carolina Retaliatory Employment Discrimination Act (“REDA”), (xii) the North Carolina Persons with Disabilities Act (the “PDA”), (xiii) the North Carolina Wage and Hour Act (the “NCWhA”), (xiv) any state tort law, including, but not limited to, any claims of wrongful or retaliatory discharge, breach of duty, or negligent or intentional infliction of emotional distress, (xv) any state contract or quasi-contract law, including, but not

limited to, any claims for unpaid wages or compensation, any claims for payment for stock, any claims for breach of contract, any claims for promissory estoppel, and any claims for benefits under any employee benefit or similar such plan, (xvi) any state statutory law, including, but not limited to, any claims under N.C. Gen. Stat. § 99D-1, (xvii) any state or federal law that prohibits discrimination or harassment because of age, sex, national origin, race, religion, disability, veteran status, or other protected class status, (xviii) any state or federal law that prohibits retaliation for engaging or participating in any activities, (xix) any state or federal law, or contract provision, that allows the recovery of attorneys' fees or punitive damages, (xx) any other local, state, or federal law, (xxi) the facts and allegations set forth in the Complaint filed in the Litigation, and (xxii) Plaintiff's application for employment with the Town of Spring Lake or any of Defendants' Affiliates.

3. Defendants delivered this Agreement to Plaintiff, through Plaintiff's attorney, on March 6, 2026, and desires that Plaintiff have adequate time and opportunity to review and understand the consequences of entering into an agreement containing a release of age discrimination claims. Accordingly, Defendants advise Plaintiff that Plaintiff should consult an attorney before executing this Agreement and that Plaintiff has 21 days within which to consider the Agreement. Plaintiff also has been advised that Plaintiff may revoke this Agreement within the 7-day period immediately following Plaintiff's execution of it. The Agreement shall not become effective or enforceable until the revocation period has expired. Defendants shall have no obligations under the Agreement until the revocation period has expired. To revoke this Agreement within the applicable period, a written notice of revocation must be sent via email to John Harris of Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, L.L.P. at [jharris@smithlaw.com](mailto:jharris@smithlaw.com).

4. Upon receipt of the payments set forth in Paragraph 5 of this Agreement, Plaintiff shall file the Stipulation of Dismissal with Prejudice that is attached hereto as **Exhibit A**, dismissing with prejudice all claims that Plaintiff has asserted against Defendants.

5. Defendant NCDST shall pay to Plaintiff Three Hundred Twenty Thousand Dollars (\$320,000), less applicable withholdings (the "Payment"), within ten business days after the occurrence of all of the following: (i) Defendants' receipt of a fully-executed copy of this Agreement and the W-9 Forms set forth in Paragraph 7 of this Agreement, (ii) the expiration of the revocation period set forth in Paragraph 3 of this Agreement, provided that Defendant shall have no obligation to make such Payment if Plaintiff revokes this Agreement during that revocation period, and (iii) the filing of the Stipulation of Dismissal with Prejudice attached hereto as Exhibit A.

6. The Payment shall be made in three separate checks as follows: (i) \$106,666.67, less applicable withholdings, payable to Plaintiff for alleged lost wages; (ii) \$106,666.67 payable to Plaintiff for alleged non-economic injury; and (iii) \$106,666.66 payable to Plaintiff's attorneys, The Banks Law Firm, P.A. ("Counsel for Plaintiff") for attorneys' fees and costs. The Payment shall be delivered to The Banks Law Firm, P.A., located at 4309 Emperor Boulevard, Suite 110, Durham, NC 27703. Plaintiff's attorneys shall hold the Payment in trust until after filing of the Stipulation of Dismissal with Prejudice attached as Exhibit A.

7. Plaintiff and Counsel for Plaintiff are solely responsible for the payment of all taxes that may be assessed in connection with the Payment, other than those amounts withheld and paid

by Defendant NCDST. Plaintiff and Counsel for Plaintiff shall each provide a completed IRS Form W-9 to Defendant NCDST, which shall in return issue IRS Form 1099s with respect to the portions of the Payment identified in Paragraphs 6(ii) and (iii) of this Agreement, and an IRS Form W2 with respect to the portion of the payment identified in Paragraph 6(i) of this Agreement. Plaintiff acknowledges that neither Defendants nor the Defendants' Affiliates have made any representations to Plaintiff concerning the taxability, if any, of the Payment.

8. Defendant NCDST shall publish the press release attached hereto as **Exhibit B** in accordance with NCDST's normal process for press releases, to include online publication, within three (3) business days after the occurrence of the following: (i) Defendants' receipt of a fully-executed copy of this Agreement, (ii) the expiration of the revocation period set forth in Paragraph 3 of this Agreement, provided that Defendant NCDST shall have no obligation to issue the press release if Plaintiff revokes this Agreement during the revocation period, and (iii) the filing of the Stipulation of Dismissal with Prejudice attached hereto as Exhibit A. Such press release shall remain available online, via search or otherwise, for at least one calendar year from the date of release.

9. Plaintiff promises that Plaintiff will not sue or bring any charge or claim before any federal, state, or local court, commission, or administrative body against Defendants or the Defendants' Affiliates based on any of the released and waived claims and rights and will not join as a party with others who may sue or pursue legal relief for such claims or rights. This provision does not preclude Plaintiff from suing Defendants or the Defendants' Affiliates for breach of this Agreement or from challenging the enforceability of Plaintiff's waiver and release of ADEA claims, and this provision will not apply when prohibited by law. If Plaintiff does not abide by this provision, then Plaintiff will indemnify Defendants and the Defendants' Affiliates for all expenses and fees that they incur in defending any such action, charge, or claim or enforcing this provision.

10. Nothing in this Agreement shall prohibit Plaintiff from filing a charge, claim, or complaint with, or participating in any investigation or proceeding conducted by, the United States Equal Employment Opportunity Commission, the Department of Labor, or any other governmental agency with jurisdiction over the terms, conditions, and privileges of Plaintiff's employment; however, by signing this Agreement, Plaintiff waives Plaintiff's right to, and shall not seek or accept, any monetary or other relief of any nature whatsoever in connection with any such charge, claim, complaint, investigation, or proceeding.

11. This Agreement shall apply to, be binding upon, and inure to the benefit of Plaintiff, the Plaintiff Affiliates, Defendants, and the Defendants' Affiliates.

12. Except as expressly set forth in this Agreement, each Party to this Agreement shall be responsible for its own attorneys' fees, expenses, and costs incurred in connection with the Litigation and this Agreement.

13. The Parties agree that any action to enforce the terms and conditions of this Agreement shall be brought in the United States District Court for the Eastern District of North Carolina or the Superior Court of Wake County, North Carolina.

14. Neither the waiver by any Party of a breach of, or a default under, any provision of the Agreement, nor the failure of any Party, on one or more occasions, to enforce any provision of the Agreement or to exercise any right or privilege hereunder, shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any provision, right, or privilege hereunder.

15. If any provision or clause of this Agreement shall be or become invalid or unenforceable under applicable law, such provision or clause shall be deemed ineffective, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

16. Except as set forth herein, this Agreement constitutes the entire agreement between Plaintiff, the Plaintiff Affiliates, Defendants, and the Defendants' Affiliates concerning the subject matter of this Agreement, merges herein all prior discussions and negotiations between them concerning the subject matter of this Agreement, and supersedes all other agreements or understandings, oral or written, between them concerning the subject matter of this Agreement.

17. This Agreement may be amended, modified, or supplemented only by a written document executed by all Parties affected thereby.

18. This Agreement shall be governed by and shall be construed according to the laws of North Carolina and the applicable provisions of federal law, including, but not limited to, the ADEA and the OWBPA.

19. Plaintiff, the Plaintiff Affiliates, Defendants, and the Defendants' Affiliates acknowledge that this Agreement constitutes a compromise of disputed claims and that no Party or its Affiliates has admitted any fault or liability whatsoever.

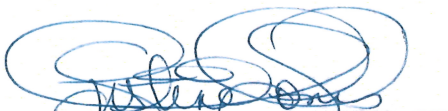
20. The Parties acknowledge that they have not relied upon any statements or representations made by the other Party; that they have carefully read the foregoing Agreement and know the contents hereof; and that they have executed this Agreement as their own free act.

21. Plaintiff represents and acknowledges that Plaintiff has been advised to consult with an attorney prior to executing this Agreement, that Plaintiff has, in fact, consulted with an attorney prior to executing this Agreement, that Plaintiff has had a reasonable period of time within which to consider this Agreement, and that Plaintiff has knowingly and voluntarily executed this Agreement.

22. Plaintiff represents and acknowledges that Plaintiff understands that this Agreement releases and waives any and all rights and claims that Plaintiff may have against Defendants and the Defendants' Affiliates arising out of or related to Plaintiff's application for employment with the Town of Spring Lake or the events alleged in the Litigation, whether or not such claims are known or suspected by Plaintiff to exist at the time of executing this Agreement, even if such claims would have had a material effect on Plaintiff's decision to execute this Agreement if they had been known or suspected by Plaintiff, and regardless of whether such lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

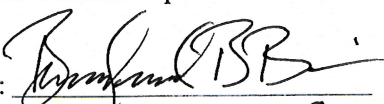
23. This agreement may be executed in multiple counterparts and all such executed counterparts shall constitute the same agreement. A facsimile, .pdf, or other reproduction hereof may be executed by one or more Parties, and an executed copy hereof may be delivered by one or more Parties by facsimile, e-mail, or other electronic transmission device pursuant to which the signature of or on behalf of such Party can be seen, and such execution and delivery shall be considered valid, binding, and effective for all purposes.

24. **PLAINTIFF REPRESENTS AND ACKNOWLEDGES THAT PLAINTIFF HAS CAREFULLY READ THIS ENTIRE AGREEMENT, UNDERSTANDS THIS AGREEMENT AND ITS CONSEQUENCES, AND KNOWINGLY AND VOLUNTARILY ENTERS INTO IT.**

  
\_\_\_\_\_  
Justine Jones

April 15, 2026  
Date

North Carolina Department of State Treasurer

By:   
\_\_\_\_\_  
[Name] BRADFORD B. BRINER  
[Title] STATE TREASURER

4/20/26  
Date

\_\_\_\_\_  
Dale Folwell

\_\_\_\_\_  
Date

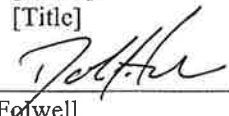
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\_\_\_\_\_  
Justine Jones

April 15, 2026  
Date

North Carolina Department of State Treasurer

By: \_\_\_\_\_  
[Name]  
[Title]  
  
\_\_\_\_\_  
Dale Forwell

\_\_\_\_\_  
Date  
4/24/26  
Date

**EXHIBIT A**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
NORTHERN DIVISION  
No. 2:25-cv-00039-BO-RJ

JUSTINE JONES,

Plaintiff,

v.

NORTH CAROLINA DEPARTMENT OF  
STATE TREASURER and DALE  
FOLWELL, in his individual capacity,

Defendants.

**STIPULATION OF DISMISSAL WITH  
PREJUDICE**

Pursuant to Rule 41(a)(1) of the Federal Rules of Civil Procedure, Plaintiff and Defendants hereby stipulate that this action and all claims asserted by Plaintiff in this action hereby are dismissed with prejudice.

This the \_\_\_ day of \_\_\_\_\_, 2026.

FERGUSON, CHAMBERS & SUMTER, PA

By: /s/ Geraldine Sumter  
GERALDINE SUMTER  
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Ferguson Chambers & Sumter, PA  
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Facsimile: (980) 938-4867  
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MITCHELL & JERNIGAN, L.L.P.

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*Attorneys for Defendants*

## **EXHIBIT B**

### **Text of Press Release**

#### **N.C. DEPARTMENT OF STATE TREASURER RESOLVES CLAIMS BY JUSTINE JONES**

The North Carolina Department of State Treasurer (DST) and former Treasurer Dale Folwell have recently entered into an agreement with Ms. Justine Jones to resolve litigation brought by Ms. Jones. This is regarding the Local Government Commissions' (LGC) decision not to approve funds for Ms. Jones' hiring as Town Manager of Spring Lake in 2022 after the Board of Aldermen voted to offer her a contract for that position. The parties have mutually agreed to resolve the matter with no admission of fault or liability on the part of either party. DST always strives to comply with all relevant laws, and the LGC's decision not to approve funds for Ms. Jones' hiring in Spring Lake was not intended to suggest that Ms. Jones acted improperly with respect to any legal actions she may have taken in the past or to opine on her qualifications to serve in other public administration roles.

The parties consider the matter fully resolved and will have no further comment.