

STATE OF SOUTH CAROLINA     )  
   ) SEPARATION AGREEMENT AND RELEASE  
COUNTY OF GREENVILLE     )

This SEPARATION AGREEMENT AND RELEASE ("Agreement"), effective the Effective Date as defined herein, is entered by and between Day One Christian Ministries, Inc., a South Carolina corporation now or formerly located at 3406 B Rutherford Road Extension, Taylors, SC 29687 ("Day One"), and its former employee, James William Holmes, residing at 425 Roberts Road, Taylors, SC 29687 ("Mr. Holmes" or "Employee").

WITNESSETH:

WHEREAS Employee was employed by Day One in Taylors, South Carolina, beginning in November 2010; and

WHEREAS on March 31, 2014, Day One closed its facility in South Carolina; and

WHEREAS, by mutual agreement of the parties, Mr. Holmes' employment with Day One ended on March 31, 2014 ("Termination Date"); and

WHEREAS whether or not Employee signs this Agreement, he will be paid through the Termination Date; and

WHEREAS more than twenty-one (21) days before he is required to indicate his assent to this Agreement, Employee received a copy of it for his consideration; and

WHEREAS Day One has forgiven interest on certain indebtedness of Employee to it; and

WHEREAS Employee and Day One have agreed that Employee will release all claims, if any, he may have against the Day One Releasees (as defined herein), in return for the agreements by Day One, as set forth herein on the terms and conditions provided; and

WHEREAS the Day One Releasees (as defined herein) have denied any liability to Employee on the basis of any claims, asserted or unasserted, arising from his employment or otherwise; and

WHEREAS this Agreement is not to be deemed an admission, finding or indication for any purpose whatsoever that Day One or any of the Day One Releasees have, at any time, including the present, acted contrary to the law or violated the rights of Employee or any other person.

NOW, THEREFORE, in reliance on the foregoing premises and the mutual promises set forth herein, the parties hereto agree as follows:

1. Unless the context plainly requires otherwise, the term "Employee" includes Employee, his spouse, agents, attorneys, heirs, dependents, executors, administrators and assigns. The term "Day One Releasees" includes Day One, its owners, stockholders, managers, directors, officers, partners, agents, attorneys, parent entities, employees, employee benefit plans, successors, assigns, affiliates, parent corporations and subsidiaries (including but not limited to

Day One Publications), and each of their respective owners, stockholders, managers, directors, officers, partners, agents, attorneys, parent entities, employees, heirs, successors, assigns, affiliates and subsidiaries.

2. As consideration, on or after the Effective Date, on the terms set forth herein:

- a) Day One agrees to pay Employee severance pay in the gross amount of Thirteen Thousand Fifty and three/100 (\$13,050.03) Dollars ("Severance Pay"). This gross sum is not net of taxes, and all taxes and any other mandatory withholdings will be withheld from this gross sum. Such Severance Pay will be paid in a lump sum mailed to Employee within ten (10) business days of the Effective Date.
- b) Day One will provide additional benefits to Employee in the form of forgiveness of loan interest as set forth in the Loan Modification Agreement of April \_\_\_, 2014, to be executed at the same time this Agreement is executed.
- c) Day One agrees to release its ownership interest in Day One's Volvo ~~station wagon~~ and to assign complete ownership to Employee.
- d) Employee acknowledges and agrees that the financial and other considerations he is receiving under the foregoing paragraphs 2(a), 2(b) and 2(c) are in excess of those to which he would otherwise be entitled.

3. This Agreement will supersede and extinguish all other agreements between the parties relating to Employee's employment or compensation by Day One except for the Loan Modification Agreement of April \_\_\_, 2014, the Note of March 28, 2014, and the Mortgage of March 19, 2014, recorded on March 25, 2014, in Greenville County, South Carolina, in Mortgage Book MO5249 at pages 4983-4986.

4. As of the Effective Date, Employee hereby releases, discharges, and acquits forever the Day One Releasees from any and all debts, claims, demands, liabilities, assessments, actions or causes of action, whether in law or in equity, whether direct or indirect, whether presently known or unknown, absolute or contingent, arising under any law, rule, regulation, ordinance, agreement, guideline or other standard of conduct of any kind and whatsoever which Employee had, now has, or may have had against any of the Day One Releasees from the beginning of time until this Agreement becomes final on the Effective Date.

Without limiting the foregoing release, Employee waives all rights he may have had or now has to pursue any and all remedies available to him under any cause of action whatsoever against the Day One Releasees, including without limitation, claims of wrongful discharge, emotional distress, defamation, breach of contract, breach of the covenant of good faith and fair dealing, (including claims for attorneys' fees, costs, back pay, front pay, benefits, and punitive and compensatory damages) and any other laws and regulations relating to employment, including any and all employment laws and other laws of the State of South



Carolina, or any other state or country. Employee further acknowledges and expressly agrees that he is waiving any and all rights he may have had or now has to pursue any claim of discrimination or retaliation, including but not limited to, any claim of discrimination based on sex, age, race, national origin, disability, or on any other protected category basis, under the Age Discrimination in Employment Act of 1967 ("ADEA"), 29 USC Section 621 (and sections following), Title VII of the Civil Rights Act of 1964 (42 USC Section 2000e, and sections following), the Employee Retirement Income Security Act (29 USC Section 1001, and sections following), the Fair Labor Standards Act, 29 U.S.C. Sections 201, et seq., as amended ("FLSA"), the Reconstruction Era Civil Rights Act (42 USC Section 1981, and sections following), the Americans with Disabilities Act (42 USC Section 12101, and sections following), the Family and Medical Leave Act (29 USC Section 2601, and sections following), the Worker Adjustment and Retraining Notification Act (29 USC Section 2100, and sections following), the Sarbanes-Oxley Act (15 USC Section 7201, and sections following), the Occupational Safety and Health Act (29 USC Section 651, and sections following), and the amendments to such laws as well as under any other analogous law of the State of South Carolina, or any other state, and all other laws and regulations relating to employment, including workers' compensation laws. Employee does not waive rights or claims that may arise after the Effective Date.

Employee agrees that he will not initiate or cause to be initiated against any of the Day One Releasees any lawsuit, proceeding, compliance review, action, grievance proceeding or appeal, investigation or proceeding of any kind, or participate in same, individually or as a representative or a member of a class, including, without limitation, any matter related to his employment with Day One.

Employee affirms that he has been granted leave to which he was entitled under the Family and Medical Leave Act or related state or local leave or disability accommodation laws, if any. Employee also agrees he has no known workplace injuries or occupational diseases. } ?

5. Employee agrees that this Agreement may be pleaded as a complete bar to any charge, claim, action or suit before any court or administrative body, with respect to any claim released herein. Employee further agrees that if he files any such charge, claim, action or suit, Day One, at its option, may cease the payment, if not already made, under paragraph 2 herein, and may demand return of all payments already made. In that event, Employee shall be obligated to return to Day One all such payments within five (5) business days of receipt of said written demand.

6. It is understood and agreed that the consideration given for this Agreement is not to be construed as an admission of liability or fault on the part of Day One or any of the Day One Releasees, the same being expressly denied.

7. This Agreement has been entered into by and with a corporation headquartered and doing business in Taylors, South Carolina, and will be controlled by South Carolina law. Any claim arising out of or relating to its validity, meaning, interpretation, scope or application, and any dispute arising out of the parties' relationship or breach of this Agreement, will be resolved by arbitration in Greenville, South Carolina, under the Federal Arbitration Act, conducted in accordance with contract rules of the American Arbitration Association in effect at the time of

the arbitration. Arbitrable matters include, but are not limited to, the issue of arbitrability of any claim or dispute.

8. Employee shall maintain the confidentiality of all matters in which he was involved while employed by Day One including but not limited to the existence and terms of this Agreement. If Employee reveals any information concerning matters in which he was involved while employed by Day One or the existence of terms of this Agreement (other than to his spouse, tax advisors or attorneys after he has duly informed them of the confidentiality hereof), then Employee agrees he will forfeit and will return to Day One or its successors all consideration paid to him as set forth in paragraph 2. Employee will not provide any information to nor assist any governmental agency or person in any proceedings or claims against Day One or any of the Day One Releasees, except as may be required by law. Employee will not make or otherwise publish any negative statements about, or otherwise disparage Day One or its owners, stockholders, managers, directors, officers, employees or agents to any third party.

9. If any provision of this Agreement is found to be unenforceable, it shall not affect the enforceability of the remaining provisions, and the Court or arbitrator shall enforce all remaining provisions to the extent permitted by law.

10. Employee hereby acknowledges and understands, and Day One agrees, that:

- a) Employee has had from his receipt of this Agreement on April 4, 2014, until close of business April 25, 2014 (21 days), to review and consider it, to discuss it with an attorney or others of his choosing, to decide to execute or not to execute it, and to return it to the attorneys for Day One as provided in paragraph 11.
- b) Employee understands that he may sign this Agreement prior to the end of the 21-day period; if he elects to do so, he agrees that it was done knowingly and voluntarily, without any improper inducement by Day One.
- c) Once the properly executed Agreement is returned to Day One as provided herein, Employee will have 7 days to rescind it. To be effective, actual notice of rescission must be received by Day One within that 7-day period.
- d) Assuming Employee properly signs and returns this Agreement as provided in paragraph 10(a), that he does not rescind it as provided in paragraph 10(c), and that he has satisfied all conditions set forth herein, this Agreement shall become final on the eighth day following Day One's receipt of the duly executed agreement (this eighth day is referred to herein as the "Effective Date"). The day following the Effective Date, Day One will execute this Agreement and will mail a copy of it to Employee, as provided in paragraph 11; payment to Employee will be made as set forth in paragraph 2(b) hereof.

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- e) If Employee does not execute and return this Agreement to Day One by close of business on the date provided in paragraph 10(a), or if he rescinds it within the 7-day rescission period after its receipt by Day One as provided in paragraph 10(c), it shall be null and void and of no legal effect or consequence. It will be inadmissible in any legal action or proceeding involving any of the Day One Releasees and Employee.

11. Any notice Employee is required to provide to Day One pursuant to this Agreement shall be made by hand delivery, certified mail return receipt requested, or Federal Express, signature required, and delivered to Sue Erwin Harper, Attorney, Nelson Mullins Riley & Scarborough, LLP, 1330 Main Street, Suite 1700, Columbia, SC 29201. Notice will be effective upon the date of receipt by Ms. Harper.

Any notice Day One is required to provide to Employee pursuant to this Agreement shall be made by first class mail to him at 425 Roberts Road, Taylors, SC 29687, or such other address as he may provide in writing.

12. By Employee's signature below, he represents and warrants that as of the date he executes this Agreement, he has not retained nor does he now possess any confidential or proprietary information or other property of Day One, including but not limited to any of its financial records, business records, keys, files, or any other property or data concerning its business. Employee agrees that he will not in the future share any confidential or proprietary information of Day One with any third parties, except as may be required by law.

13. Employee represents and warrants that he has fully read this Agreement, that he understands all the terms and conditions set forth herein, and that he is entering into this Agreement voluntarily and without promise or benefit other than as set forth herein. Employee further acknowledges that he has had at least 21 days since receipt of this Agreement in which to consider it, that he has been advised to consult with and has consulted with an attorney of his choosing concerning this Agreement's terms, and that the waivers he has made, the releases he has given, and the other terms that he has agreed to herein are made knowingly, consciously, and with full appreciation that he is forever foreclosed from pursuing any of the rights so waived and released.

14. This Agreement and the parties' other agreements as set forth herein constitute the entire agreement between the parties hereto with respect to the subject matters thereof. This Agreement may be modified or amended only in a writing signed by the parties hereto.

15. Should any provision of this Agreement be declared or determined by any Court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement; provided, however, that if paragraph 4 or 5 of this Agreement is determined to be void and unenforceable, either in whole or in part, by a court of competent jurisdiction, this Agreement, at Day One's option, may be declared to be of no force or effect, and Employee shall thereupon be required immediately to return to Day One all payments made hereunder.

**IN WITNESS WHEREOF**, the undersigned have set their hands and seals on the dates written below.

**JAMES WILLIAM HOLMES**

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
James William Holmes, Employee  
Date Signed: \_\_\_\_\_, 2014.

**DAY ONE CHRISTIAN MINISTRIES, INC.**

By: \_\_\_\_\_  
Mark J. Roberts  
Its \_\_\_\_\_

Date Signed: \_\_\_\_\_, 2014.

By: \_\_\_\_\_  
Colin D. Jones  
Its \_\_\_\_\_

Date Signed: \_\_\_\_\_, 2014.