

STATE OF NORTH CAROLINA

COUNTY OF WAKE

**SETTLEMENT, CONFIDENTIALITY AND NON-DISPARAGEMENT  
AGREEMENT AND RELEASE**

THIS SETTLEMENT, CONFIDENTIALITY AND NON-DISPARAGEMENT AGREEMENT AND RELEASE ("Agreement"), entered into effective the \_\_ day of \_\_\_\_\_, 2023, by and between the North Carolina Republican Party, a political party organized under the laws of North Carolina ("NCGOP"); William Clark Porter, a resident of the State of North Carolina ("Porter"); and Jewel Ann Farlow, a licensed attorney in the State of North Carolina ("Farlow"); collectively, the "Parties";

W I T N E S S E T H :

WHEREAS, Porter was sued in an action pending in Guilford County, North Carolina, and bearing the case caption Bouvier, Plaintiff, v. Porter, Defendant, Guilford County Case No. 17 CVS 3273, and appealed to and decided by the North Carolina Court of Appeals, Case No. 20-441, and is currently on appeal to the North Carolina Supreme Court, Case No. 403PA21-1 (collectively the "Civil Action," which shall include any other matter reasonably related to the same factual circumstances);

WHEREAS, Porter has alleged and continues to allege, in connection with the Civil Action, that the NCGOP agreed to (i) the payment of Porter's legal fees and (ii) the payment of any fees owed by Porter to Farlow. (collectively, the "Allegations");

WHEREAS, NCGOP has denied, and continues to deny, the Allegations;

WHEREAS, in order to avoid the cost and uncertainty of potential litigation and the uncertainty of the collectability of any judgment sought or obtained related to the Civil Action or the Allegations, the Parties desire to compromise, settle, and resolve any and all disputed claims between or among them in accordance with the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and other good and valuable considerations, the receipt and sufficiency of which hereby are acknowledged, the Parties hereby agree as follows:

1. **Time for Acceptance.** All Parties must sign and agree to all the terms listed herein by 5:00 pm EST, June 7, 2023. Failure to do so will result in this Agreement becoming null and void.
2. **Settlement Amount.** Upon execution by all Parties of the Agreement, the NCGOP shall pay to Porter's attorney, Ms. Farlow the sum of Twenty-Five Thousand Dollars (\$25,000.00)(the "Settlement Amount").
3. **Disbursement.** Following full execution of the Agreement, a wire transfer of the Settlement Amount shall be initiated to Ms. Farlow within twenty-four (24) business hours of Ms. Farlow's provision of accurate wire transfer information.
4. **Costs and Fees.** Each of the Parties shall be responsible for its or his own costs, including but not limited to legal fees, associated with the negotiation, preparation, execution, and delivery of this Agreement.
5. **Release of NCGOP by Porter and Farlow.** Except for the obligations of NCGOP created by this Agreement, which obligations shall survive the release contemplated in this Agreement, upon Farlow's receipt of the Settlement Amount in accordance with Paragraphs 2 and 3, Porter and Farlow hereby release and indemnify NCGOP, its past and present directors, officers, employees, agents, independent contractors and affiliated entities, and its successors and assigns, from any and all claims, demands, liabilities, and damages of any kind or nature, which are currently known or unknown, which have been asserted or could have been asserted or could in the future be asserted, and which have arisen at any time from the beginning of time through and including the execution and delivery of this Agreement and continuing in perpetuity relating to or concerning the Allegations, the Civil Action, or actions underlying the foregoing. Moreover, Porter and Farlow expressly disclaim any agency relationship to NCGOP past, present, or future.

**6. Release of Porter by Farlow.** Except for the obligations of Porter created by this Agreement, which obligations shall survive the release contemplated in this Agreement, Farlow hereby releases Porter, his past and present employees, agents and independent contractors, and his personal representatives and heirs, from any and all claims, demands, liabilities, and damages of any kind or nature, which are currently known or unknown, which have been asserted or could have been asserted, and which have arisen at any time from the beginning of time through and including the execution and delivery of this Agreement relating to this matter and in excess of the agreed-upon Settlement Amount.

**7. Confidentiality.**

*a. Confidential Information.* As used in this Agreement, the term "Confidential Information" means, collectively, (i) the amount or amounts which Porter and/or Farlow contends, contended, or may in the future contend that NCGOP owes, owed, or may in the future owe to Porter and/or Farlow; (ii) the original and/or copies (in digital and hard copy format) of any statements, invoices, or communications relating to the NCGOP or legal services provided to Porter ; (iii) the substance of such statements, invoices, or communications; (iv) the original or copies (in digital and hard copy format) of this Agreement; and (v) the terms of this Agreement (other than a mere statement that "the terms of this Agreement are confidential"), including but not limited to (A) the Settlement Amount (or an approximation thereof), (B) the proportion or percentage (or an approximation thereof) of the Settlement Amount to the amount or amounts claimed by Porter and/or Farlow, and (C) any information that would tend to enable someone to calculate or determine either the Settlement Amount (or an approximation thereof) or the proportion or percentage (or an approximation thereof) of the Settlement Amount to the amount or amounts claimed by Porter and/or Farlow. Confidential Information does not include information which is or becomes generally available to the public other than as a result of a direct or indirect disclosure by Porter and/or Farlow in violation or breach of this Agreement. This Agreement does not require designation, marking, or stamping of Confidential Information as confidential in

order for the Confidential Information to be confidential and protected by this Agreement.

b. Non-Disclosure. Porter and Farlow represent, warrant, and covenant to NCGOP that neither Porter nor Farlow has heretofore disclosed the Confidential Information to any person or entity. Porter and Farlow covenants to NCGOP that hereafter Porter and Farlow shall keep the Confidential Information strictly confidential and shall not disclose the Confidential Information to any person or entity. Without limiting the generality of the foregoing, Porter and Farlow shall not, voluntarily or involuntarily, directly or indirectly, in whole or in part, in any manner whatsoever, (i) communicate, disclose, divulge, reveal, distribute, duplicate, photocopy, reproduce, or transmit the Confidential Information to any person or entity; or (ii) use the Confidential Information, including (A) to Porter or Farlow's own advantage or benefit or to the advantage or benefit of any person or entity, (B) to the detriment of NCGOP, (C) in an unlawful manner, or (D) to interfere with or attempt to terminate or otherwise adversely affect any present or future relationship of NCGOP.

c. Limited Disclosure Permitted. Porter and/or Farlow has revealed and/or may reveal the Confidential Information only as follows: (i) to Porter and/or Farlow's attorneys and/or accountants on a need to know basis, provided that the disclosing party shall remain responsible and liable to NCGOP for any disclosure by such attorneys and/or accountants contrary to the protections in this Agreement; (ii) to governmental regulatory agencies in the context of their regulatory jurisdiction over the Parties, provided that the individual regulators and the applicable agency have been advised in writing of the confidential nature of the Confidential Information; or (iii) pursuant to a court or regulatory agency order enforceable against any of the Parties, provided that NCGOP has been advised of the order in sufficient time to take action against or to limit the disclosure, and provided further that the disclosing party takes reasonable efforts to advise the court or agency of the confidential nature of the Confidential Information and applies for reasonable protection against further disclosure of the Confidential Information. The

disclosing party shall promptly disclose to NCGOP all persons and entities who have received or had access to, or who may receive or have access to, any of the Confidential Information through the disclosing party.

*d. Notice of Violation.* Porter and/or Farlow shall notify NCGOP of any unauthorized use or disclosure of Confidential Information and shall cooperate with NCGOP in reasonable ways to regain possession of the Confidential Information and prevent any further unauthorized use or disclosure.

*e. Liquidated Damages.* The Parties acknowledge and agree that any violation or breach by Porter and/or Farlow of any of the provisions of this Paragraph 7 will cause significant harm and damage to NCGOP, including, but not limited to, reputational and financial harm. The Parties also acknowledge and agree that the damages NCGOP reasonably may anticipate from Porter and/or Farlow's violation or breach of any of the provisions of this Paragraph 7 are difficult to ascertain because of their indefiniteness and uncertainty, including the difficulty in ascertaining the exact harm and the duration of any such and other damages and harm. Consequently, the Parties agree that in the event that Porter or Farlow violates or breaches any of the provisions of this Paragraph 7, the breaching party shall be liable for, and immediately shall pay to NCGOP, liquidated damages in the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00) for each such violation or breach. The Parties agree that this sum is reasonably proportionate to, and is a reasonable estimate of, the damages which NCGOP will incur in the event of a violation or breach by Porter or Farlow. This liquidated damages provision shall not be deemed a penalty in any action to enforce the recovery of liquidated damages. The Parties acknowledge that this Paragraph 7 constitutes evidence of indebtedness. In the event of any violation or breach by Porter or Farlow of any of the provisions of this Paragraph 7, the liquidated damages shall accrue interest at rate of eight percent (8%) per annum from and after the date of such violation or breach until paid in full, and NCGOP shall be entitled to recover reasonable attorneys' fees from the breaching party.

8. **Non-Disparagement.**



a. Porter and Farlow acknowledge and agree that NCGOP has a significant interest in protecting its reputation and standing in the communities and geographical areas in which NCGOP operates, which includes the entire state of North Carolina and beyond, and maintaining good public relations with potential and current party members, volunteers, donors, elected officials, candidates, and influencers.

b. Porter and Farlow represent, warrant, and covenant to NCGOP that Porter and Farlow heretofore has not made, given or uttered (orally or in writing) to any person or entity (other than his or her attorneys) any statements, speculations, opinions, or allegations similar to the Allegations.

c. Porter and Farlow hereafter shall not degrade, speak adversely about, comment derogatorily about, defame, or in any other way make any disparaging, adverse, or negative statements, indications, gestures, or comments about NCGOP or its past or present directors, officers, employees, agents, independent contractors, or affiliated entities, nor shall Porter or Farlow authorize, encourage or participate with anyone to make such statements, indications, gestures, or comments. Without limiting the generality of the foregoing, Porter and Farlow shall not make or utter (orally or in writing) to any person or entity any statements, speculations, opinions, or allegations similar to the Allegations, nor shall Porter and/or Farlow authorize, permit, encourage or participate with anyone to do the same.

d. Porter and Farlow acknowledge and agree that he/she is not in possession of any facts or information whatsoever which would support any type of legal claim or defense against NCGOP by any third person or entity. Any communications whatsoever by Porter or Farlow hereafter to any person or entity in which he/she suggests or implies that he or anyone else has relevant information pertaining to NCGOP which would support any type of claim or defense which could be asserted by that person or entity will also constitute a breach of this Paragraph 7.

e. Porter and Farlow acknowledge that Porter and Farlow heretofore has not, and agree that Porter and Farlow hereafter shall not, waive the attorney-client privilege to permit Porter and/or Farlow's attorneys to reveal or use in the



representation of any other person or entity any information or documentation acquired during their representation of Porter and/or Farlow.

f. The Parties acknowledge and agree that any violation or breach by Porter and/or Farlow of any of the provisions of this Paragraph 8 will cause significant harm and damage to NCGOP, including, but not limited to, financial harm. The Parties also acknowledge and agree that the damages NCGOP reasonably may anticipate from either Porter or Farlow's violation or breach of any of the provisions of this Paragraph 8 are difficult to ascertain because of their indefiniteness and uncertainty, including the difficulty in ascertaining the exact financial harm and the duration of any such and other damage and harm. Consequently, the Parties agree that in the event that either Porter or Farlow violates or breaches any of the provisions of this Paragraph 8, the breaching party shall be liable for, and immediately shall pay to NCGOP, liquidated damages in the sum of Twenty-Five Thousand and No/100 Dollars (\$25,000.00) for each such violation or breach. The Parties agree that this sum is reasonably proportionate to, and is a reasonable estimate of, the damages which NCGOP will incur in the event of a violation or breach by either Porter or Farlow. This liquidated damages provision shall not be deemed a penalty in any action to enforce the recovery of liquidated damages. The Parties acknowledge that this Paragraph 8 constitutes evidence of indebtedness. In the event of any violation or breach by either Porter or Farlow of any of the provisions of this Paragraph 8, the liquidated damages shall accrue interest at rate of eight percent (8%) per annum from and after the date of such violation or breach until paid in full, and NCGOP shall be entitled to recover reasonable attorneys' fees from the breaching party.

**9. Miscellaneous.**

a. This Agreement is binding upon, and shall inure to the benefit of, the Parties and their respective personal representatives, heirs, successors, and assigns.

b. This Agreement shall be deemed to have been made under and shall be governed and construed by the laws of the State of North Carolina. Any legal action

or proceeding arising out of or relating to this Agreement may be instituted and prosecuted in the courts of the State of North Carolina, County of Wake; and the Parties hereby expressly consent and submit to the jurisdiction and venue of such courts for the purposes thereof and expressly waive any claim or defense relating to such jurisdiction and venue.

c. If any provision of this Agreement or any application of any provision of this Agreement is held to be unenforceable or invalid for any reason, then the enforceability and validity of all the remaining provisions shall not be affected, and the rights or obligations of each of the Parties shall be construed and enforced as if the Agreement did not contain such unenforceable and invalid provision; provided, however, that the economic and legal substance of this Agreement is not affected in any manner materially adverse to any Party.

d. Each of the Parties acknowledges and agrees that he or it has been represented by counsel in connection with this Agreement and that this Agreement was jointly negotiated, prepared, and drafted by each of the Parties. Accordingly, if a court deems any language in the Agreement to be ambiguous, such language shall not be presumptively construed against any Party.

e. This Agreement contains the entire agreement of the Parties and supersedes all prior oral and written understandings and agreements between the Parties regarding the subject matter hereof. There are no representations, promises, conditions, or warranties other than those expressly set forth in this Agreement.

f. This Agreement may not be amended, except by written instrument signed by all the Parties.

g. This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts. Each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Any signature or attestation required by this Agreement may be transmitted via e-mail or telecopier, and signatures and attestations so transmitted shall be as binding as the original.

*[Signature page to follow]*



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

North Carolina Republican Party

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
William Clark Porter

\_\_\_\_\_  
Jewel Ann Farlow