Dispute Resolution Institute

"Standstill Agreement" Steps to Resolving a Legal Dispute (Yildiz v. SuperStore)

Confidential Packet for Robin Jax, Esq. (Counsel for Plaintiff Helena Yildiz)

Jax, Robin

From:

Hassan, Dmitri

Sent:

Monday, March 18, 2024 11:55 AM

To:

Jax, Robin

Subject:

Yildiz #1099 -- Standstill Agreement

Robin,

Sorry to have to do this, but I need you to handle a meeting for me next Monday. I am supposed to get together with the lawyers for SuperStore in the Yildiz matter. We were going to meet to discuss drafting a standstill agreement.

I know that standstill agreements are not terribly common, but it could be a good move here. I have attached two examples from previous matters that we did with that same law firm that might be useful, although you will have to re-work the language to fit this case.

I have also attached my letter that I am sending out today to Ms. Yildiz – we met this morning. She has given us some initial parameters on how to craft the standstill agreement, and she will be available to meet with you before the standstill negotiations begin. In addition, I attached the memo that she sent to the CEO about her claims and the two emails from finance supporting her claims.

I have to be on a plane the morning of the 25th to Sleepy Eye for an arbitration that just came up on another matter, so you are on your own. I will try to see who else from our office might be around to help, if you need any assistance or have questions. Ms. Yildiz mentioned that she might come to the meeting but she did not confirm.

Dmitri Hassan

LAW OFFICE OF DMITRI HASSAN & ASSOCIATES 121 West Seventh Street St. Paul, MN 55117

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From: Jax, Robin

Sent: Wednesday, May 6, 2021 1:17 PM

To: Hassan, Dmitri

Subject: Thanks!

Mr. Hassan,

Thank you again for lunch. I very much appreciated hearing your perspective on plaintiff's employment work. I will definitely contact you after graduation, as you suggested. I would love to get into litigation after two summers of transactional work.

Very truly yours,

Robin Jax

This email has been scanned for all viruses.

121 West Seventh Street St. Paul, MN 55117 Telephone Number: 651-555-1122

Fax Number: 651-555-1123 www.hassanlawoffice.com

March 18, 2024

Helena Yildiz 44 Fluffy Leaf Way Wayzata, MN 55433

Re: Legal Claims against SuperStore

Dear Helena:

It was good seeing you this morning. Here is a quick summary of our conversation.

As we discussed, you have authorized my firm to negotiate a "standstill" agreement with counsel for SuperStore. The purpose of the standstill agreement is to suspend all legal action, including the possible filing of a legal complaint by you and any possible legal action by SuperStore, while the parties investigate your claims and conduct damages calculations. It is not the same as a settlement agreement and so you do not have to worry about waiving your right to assert a legal claim against SuperStore if you sign a standstill agreement; it's simply for purposes of placing your legal action on hold while SuperStore looks into the matter from its end. Still, I understand your strong interest in moving forward on this matter as quickly as possible, but giving SuperStore the opportunity to investigate this matter outside of formal legal action may be beneficial to your hopes of settling without incurring substantial legal expenses and maintaining your strong relationships at SuperStore.

The standstill agreement raises a number of possible issues, which we may have to resolve, including the following:

First, we will need to iron out what amount SuperStore will pay you in addition to your regular salary during the term of the standstill agreement (and whether they will pay you anything at all). Payment on the accounts that you reference in your memo seems like a good starting point, but you should prepare yourself for the possibility of less (or no additional) money. You have authorized my firm to accept any amount of additional commissions (including no payment of commissions) necessary to secure the deal, with the express instruction to push as hard as we can to secure whatever funds might be available.

Second, regarding your salary, SuperStore may ask that you take some sort of leave during the investigation. It is not completely uncommon for employees to take time off during

Helena Yildiz March 18, 2024 Page 2

these types of investigations. I understand that you prefer to stay on the job and continue to collect your regular salary, plus commissions. I also understand how important your relationships are with current customers. You instructed my firm to accept any arrangement, including some sort of leave of absence, that pays you your current salary, allows contact with key customers, and does not include any sort of "demotion" or negative job change.

Third, we will need to include a time frame for the standstill agreement. It is important that there is some deadline to ensure that the investigation moves forward and remains focused. If there is no time frame, SuperStore has no incentive to take this process seriously, because you cannot file your complaint until the expiration of the standstill agreement. I am comfortable with your suggestion that we stick with 60 days, although we may need to be flexible on the final time frame.

Fourth, naturally we will include the necessary boilerplate items, including a provision ensuring that all conversations between counsel during the investigation period are protected under Rule 408, and that none of your possible claims are waived by entering into this agreement, as you suggested.

Please confirm that you are still available for our meeting with SuperStore next week. I do not expect you to participate directly in the negotiations, but I would like you available on site so that we can keep in touch during discussions.

Very truly yours,

O))mitri

LAW OFFICE OF DMITRI HASSAN & ASSOCIATES

Dmitri Hassan, Esq.

SUPERSTORE INTERNAL MEMORANDUM

-- CONFIDENTIAL --

TO: Vivian Turner, Chief Executive Officer

CC: Ashwin Desai, Senior Counsel

FR: Helena Yildiz, Vice President of Sales, North America

DATE: December 29, 2023

RE: Commissions

This memorandum memorializes our conversation this afternoon concerning the systematic and deliberate underpayment of my commission over the past several years. I am glad that

I was finally able to get your attention on this important matter.

As we discussed, I have been made aware that for as long as I have been Vice President of Sales for SuperStore, management has been undervaluing my commission by at least 25%. The two emails that I share with you from Otis Estridge, associate finance director, discuss the pattern.

Two recent deals for key customers provide clear evidence. As Mr. Estridge's emails show, I am due at least another \$12,000 from the Enzymatic Polisher deal and another \$7,500 from the Stanza Chicken deal. As the emails state, it is apparent that this pattern of underpayment of my commission has been happening since I first started in this position. My preliminary calculations indicate that I have been deprived of at least \$300,000 due to this undervaluing. It also appears that other sales executives have been deprived of their full commission.

As you know, in addition to my regular salary of \$175,000 per year, I usually make another \$100,000 to \$200,000 in commissions each year. 25% underpayment on those commissions adds up fast (especially over my nine years in this job).

I intend to file a lawsuit to collect on these unpaid sums. I will also talk to others at SuperStore and explore whether a class action might be most appropriate.

Please direct all further communication on this matter to my counsel, Dmitri Hassan (www.hassanlawoffice.com). I will continue, of course, to do my job, and I expect future commissions to be calculated properly (and documented clearly).

Estridge, Otis

From: Estridge, Otis

Sent: Thursday, December 20, 2023 10:14 AM

To: Yildiz, Helena Cc: Estridge, Otis

Subject: Commission Calculations -- Another Thought

One more thing – it appears that the calculation formula that we have been using since Q2 is incorrect. This could mean as much as 10% more due to you on Stanza.

OE

This email has been scanned for all viruses.

Estridge, Otis

From: Estridge, Otis

Sent: Thursday, December 20, 2023 10:11 AM

To: Yildiz, Helena Cc: Estridge, Otis

Subject: Commission Calculations

Ms. Yildiz,

As I mentioned on the phone, these commissions are very difficult to measure accurately at this point, given the inscrutable compensation matrix and the many changes that have taken place during the time period of these sales. So right now my thinking is something like the following:

- 1. Something approaching \$12,000 from the Enzymatic Polisher deal, depending on how much work Charlene put into it and when the final check cleared (you will need to check with the mother ship on those particulars).
- 2. Between \$4,000 and \$8,000 on the Boulware Shipping deal, depending on how we interpret the contract extension and whether they were to pay all of it upfront.
- 3. Between \$6,500 and \$7,500 from the Stanza Chicken deal, depending on when your team took over the discussions.

My last day is the 24th so please let me know if you have any questions before then. I have really appreciated working with you. Happy holidays.

All the best,

OE

"There are only two ways to live your life. One is as though nothing is a miracle. The other is as though everything is a miracle."
-Albert Einstein

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STANDSTILL AGREEMENT

THIS **STANDSTILL AGREEMENT** ("Agreement") is dated December 9, 2016 ("Effective Date") by and between Johnny's Fish Fry, LLC ("Johnny's") and Al's Repair, Inc. ("Al's"), collectively ("the Parties").

Background

- A. Johnny's alleges concerns regarding repairs that Al's made to Johnny's restaurant (hereafter "the action").
- B. Al's alleges full performance of satisfactory repairs and further alleges that Johnny's has not paid Al's the full amount due for Al's services.
- C. Johnny's and Al's wish to suspend any formal legal actions and participate in an informal exchange of information and settlement negotiations for a period of 90 days under the terms set forth below.

Terms

- 1. <u>Negotiation Process</u>. The Parties shall participate in an informal exchange of information and settlement negotiations for a period of 90 days beginning Monday, December 11, 2016, until Saturday, March 2, 2017 (the "Negotiation Period").
- 2. <u>No Court Stuff</u>. During the Negotiation Period, the Parties shall not file new or pursue pending discovery requests or discovery-related motions. During the Negotiation Period, the Parties shall not commence any new litigation concerning the matters at issue in this action or initiate new activity in this action.
- 3. <u>Some Money</u>. Within 10 days of signing this agreement, Johnny's shall make a good faith payment of \$650 to Al's by cashier's check. This amount shall be applied against any claims that Al's has against Johnny's for overdue invoices.
- 4. We Can Still Sue Clause. During the Negotiation Period, no substantive or procedural rights or duties of any Party will change. All statutes of limitations, laches, waiver, estoppel, or other defenses or causes of action will be tolled during the Negotiation Period. Any cause of action, defense, contention, argument, privilege or legal right that existed prior to the Negotiation Period will be preserved, completely and without limitation, but such cause of action, defense, contention, argument, privilege or legal right will not be enhanced or diminished during or because of the Negotiation Period.
- Keeping It Between Us. All settlement-related communications between the Parties shall be Confidential and subject to Rule 408 of the Minnesota Rules of Evidence. For purposes of this agreement, "Confidential" means all information that each party has

obtained in anticipation of or in connection with the investigation described in this agreement including, but not limited to, current and prospective repair schedules, plans or strategies, customer lists, bank information, passwords and security practices and procedures, databases, and data processing methodologies, trade secrets and any other proprietary, confidential or secret aspects of the parties' business or personal life.

6. No Waivers of Attorney-Client Communication Protection. The Parties recognize that in exploring the possibility of a settlement, they may share documents and information upon which a privilege claim might otherwise be based. It is expressly understood that such sharing of information for dispute resolution purposes is not intended by any Party to constitute a specific, general or subject matter waiver of any privilege, whether with respect to third parties or with respect to any Party in this action. This Agreement does not confer privileged status to any document or information that is not otherwise privileged.

7. Boilerplate Stuff.

AGREED:

Date: _____

- a. This Agreement shall be governed by the laws of Minnesota. The Parties consent to venue in Washington County, Minnesota in the event that this Agreement itself becomes the subject of dispute between the Parties.
- b. This Agreement may be executed in duplicate counterparts each of which shall be deemed an original.
- c. No amendments or variations of the terms of this Standstill Agreement shall be valid unless made in writing and signed by all Parties hereto.
- d. In the event any proceedings of any type or kind shall occur in which this Agreement or its terms shall be reviewed, construed, or brought into issue in any manner, the Parties hereby agree that this Standstill Agreement shall be construed as jointly written and typed by the Parties.

Date: _____

Johnny's Fish Fry, LLC

By: ______
Signature

Title/position

Al's Repair, Inc.

By: _____
Signature

Title/position

STANDSTILL AGREEMENT

- 1. This STANDSTILL AGREEMENT, effective October 2, 1998, is made by and between Sylvester Felineous ("Sylvester") and Vroom Motel ("Vroom").
- 2. Sylvester paid Vroom \$300 to stay in Vroom's motel (room 611) for the entire month of March 1997 in order to view the fall colors and conduct various phenology experiments.
- 3. Sylvester alleges that during his stay at Vroom, he was bombarded with numerous, large and unidentifiable insects, which diminished the value of his stay.
- 4. Sylvester and Vroom shall suspend any and all legal action against each other for a period of 120 days in order to investigate the claims alleged by Sylvester.
- 5. For purposes of this agreement, "Confidential Information" means all information that each party has obtained in anticipation of or in connection with the investigation described in this agreement including, without limitation, current and prospective maintenance schedules, plans or strategies, customer lists, bank information, passwords and security practices and procedures, advertising and pricing plans or strategies, databases, and data processing methodologies, algorithms, margins and expense levels, food and beverage service preferences, trade secrets and any other proprietary, confidential or secret aspects of the parties' business or personal life.
- 6. The parties shall maintain in confidence all Confidential Information (as defined in paragraph 5 above) exchanged under the terms of this agreement. The parties may disclose Confidential Information to their legal counsel but shall not disclose to any other individuals without written consent from the other Party.
- 7. This Agreement shall be governed by and construed under the laws of the State of Minnesota applicable to contracts executed and intended to be performed entirely within the State of Minnesota by residents of such State. The parties submit and agree to be subject to the exclusive jurisdiction of the Federal and state courts in Minneapolis, Minnesota in any suit or proceeding arising out of or relating to this agreement. In any suit or proceeding to enforce rights under this agreement, the prevailing party shall be entitled to recover costs and attorneys' fees.
- 8. The 120 day period governed by the terms of this agreement may be extended further by written agreement of both parties.
- 9. This agreement prevails over prior communications regarding the subject matter of this agreement and any and all possible, whether expressed or implied, claims between the parties hereto or their representatives. This agreement was drafted and approved by counsel for the parties, and there shall not be a presumption of construction against any party hereto.
- 10. This agreement is an integrated agreement and contains the entire agreement regarding the matters herein between the parties hereto, and except as set forth herein, no representatives, warranties or promises have been made by any party hereto.

Dated:		Sylvester Felineous
	Ву	
Dated:		Vroom Motel
	Ву	