

AMENDMENT TO SETTLEMENT AGREEMENT

**Among the Doe Plaintiffs, on behalf of themselves
and all others similarly situated,**

and

**Union of Needletrades Industrial and Textile Employees, AFL-CIO
("UNITE"), Asian Law Caucus, Sweatshop Watch, and Global Exchange,
on behalf of the General Public,**

and

[Company]

WHEREAS, on or about _____, [Company] entered into a Stipulation and Settlement Agreement ("Previous Agreement") by and among Union of Needletrades Industrial and Textile Employees, AFL-CIO ("UNITE"), Global Exchange, Sweatshop Watch, Asian Law Caucus, Does I through X and the other Settlement Class members as defined in that Previous Agreement (collectively "Plaintiffs"), all of which are parties to one or more of the actions currently entitled *Doe I, et al. v. The Gap, Inc., et al.*, No. CV-01-0031 (D.N.M.I); *Doe I, et al. v. Brylane L.P., et al.*, No. CV-01-0036 (D.N.M.I); *Doe I, et al. v. The Dress Barn, Inc.*, No. CV-01-0037 (D.N.M.I) (collectively, the "Federal Court Actions"); *Union of Needletrades Industrial and Textile Employees, AFL-CIO, et al. v. The Gap, Inc., et al.*, San Francisco Superior Court Action No. 300474; and *Union of Needletrades Industrial and Textile Employees, AFL-CIO, et al. v. Brylane, L.P., et al.*, San Francisco Superior Court Action No. 311075 (collectively the "State Court Actions").

WHEREAS, on May 10, 2002, the District Court for the Northern Mariana Islands (the "Court") granted preliminary approval of the Previous Agreement and other similar settlement agreements.

WHEREAS, on or about September 6, 2002, Plaintiffs reached a global settlement agreement (the "Global Settlement") with all remaining defendants in the Federal Court Actions and the State Court Actions, with the exception of defendant Levi Strauss & Company. This Global Settlement, a copy of which is attached hereto as Exhibit 1, differs from the Previous Agreement in several respects, including (1) its establishment of a monitoring program for Commonwealth of the Northern Mariana Islands ("CNMI") garment manufacturing facilities (the "New Monitoring Program") that differs from the Monitoring Program established by Exhibit A to the Previous Agreement; and (2) new class notice, court approval and party arbitration provisions that differ from those set forth in the Previous Agreement.

WHEREAS, [Company] has been informed and believes that Plaintiffs' and the previously-~~non~~settling defendants' agreement to the Global Settlement is expressly conditioned upon [Company's] and all other previously settling retailer defendants' agreement to **modify** their previously-negotiated settlement agreements, including the Previous Agreement, to incorporate the New Monitoring Program and the revised class notice, court approval, and party arbitration provisions of **the Global Settlement**.

WHEREAS, [Company] and Plaintiffs agree that it is fair and reasonable to have all settlements of the Federal Court Actions and **State Court Actions** adopt **the same** monitoring program and provisions for class notice, court approval, and party arbitration.

WHEREAS, [Company] and Plaintiffs agree that the New Monitoring Program and the revised class notice, court approval, and party **arbitration** provisions **in the Global Settlement** are fair, reasonable and appropriate for resolving the claims alleged in the Federal Court Actions and the **State Court Actions**.

[COMPANY] AND PLAINTIFFS MUTUALLY AGREE to enter into this amendment to the Previous Agreement (the "Amended Agreement") and to submit this amendment to the Court in seeking its approval of the **Global Settlement** of all claims against all defendants (*except for Levi Strauss & Company*) in the Federal Court Actions and State Court Actions.

NOW, THEREFORE, **IT IS HEREBY STIPULATED AND AGREED** among [Company] and the Plaintiffs that the Previous Agreement shall be modified and amended to conform to the Global Settlement attached as Exhibit 1 in the following respects, upon and subject to the following terms and conditions.

1. [Company] and Plaintiffs agree to replace and substitute without amendment, alteration or modification the monitoring program that was attached as Exhibit A to the Previous Agreement with the New Monitoring Program attached as Exhibit A to the Global Settlement. [Company] and the Plaintiffs further agree that all references to the Monitoring Program in the Previous Agreement shall be deemed to constitute a reference to the New Monitoring Program.
2. [Company] and Plaintiffs agree to replace and substitute the provisions set forth in paragraph 11(a) - 11(c)¹ of the Previous Agreement (generally concerning notice

Note: For companies Nordstrom Inc., Cutter & Buck, Inc., The Gymboree Corporation, and J.

and approval process) with the provisions set forth in paragraph 20 of the Global Settlement.

3. [Company] and Plaintiffs agree to replace and substitute the provisions set forth in paragraph 8² of the Previous Agreement (generally concerning arbitration of disputes) with the provisions set forth in paragraph 52 of the Global Settlement.

4. [Company] and Plaintiffs agree that, in the event that the Effective Date as defined in the Global Settlement is not reached, this Amended Agreement shall be deemed void and of no effect.

5. The Doe Plaintiffs shall not be required to sign this Amended Agreement. Instead, by signing below, counsel for Plaintiffs warrant and affirm that they are authorized to sign on behalf of and bind the Doe Plaintiffs and the Doe Plaintiffs shall be bound to the same extent as if they did personally sign.

Dated: _____, 2002

UNITE

By: _____

Printed Name: _____

Title: _____

Dated: _____, 2002

ASIAN LAW CAUCUS

By: _____

Printed Name: _____

Title: _____

Crew Group Inc., the reference to "paragraph 11(a)-11(c)" shall be replaced by "paragraph 13(a) - 13(c)."

² Note: For companies Nordstrom Inc., Cutter & Buck, Inc., The Gymboree Corporation, and J. Crew Group Inc., the reference to "paragraph 38" shall be replaced by "paragraph 39." For company Brooks Brothers, Inc., this reference to "paragraph 38" shall be replaced by "paragraph 39."

Dated: _____, 2002

SWEATSHOP WATCH

By: _____

Printed Name: _____

Title: _____

Dated: _____, 2002

GLOBAL EXCHANGE

By: _____

Printed Name: _____

Title: _____

Dated _____, 2002

**Plaintiffs' counsel, on Behalf of Doe
Plaintiffs and the Settlement Class**

By: _____

Printed Name: _____

Title: _____

Date _____, 2002

[COMPANY]

By: _____

Printed Name: _____

Title: _____

APPROVED AS TO FORM:

Date: _____ 2002

[LIST ALL COUNSEL HERE]

By: _____

Printed Name: _____

Title: _____

MUTUAL RELEASE

1. This Mutual Release (hereinafter: "Release") is entered into as of October 7, 2002 by and among:
 - A. Brylane, L.P., Cutter & Buck, Inc., Donna Karan International Inc., The Dress Barn, Inc., The Gymborae Corp, J. Crew Group, Inc., Jones Apparel Group, Inc., Liz Claiborne, Inc., The May Department Stores Company, Nordstrom, Inc., Oshkosh B'Gosh, Inc., Phillips-Van Heusen Corp., Polo Ralph Lauren Corp., Sears Roebuck and Company, Tommy Hilfiger U.S.A., Inc., Calvin Klein, Inc., Brooks Brothers, Inc., and Woolrich, Inc. ("Defendant Retailers"); and
 - B. Advance Textile Corp., American Pacific Textile, Inc., Commonwealth Garment Manufacturing, Inc., Concorde Garment Manufacturing Corp., Express Manufacturing, Inc., Global Manufacturing, Inc., Grace International, Inc., Hansae (Saipan) Inc. a/k/a New Star Corp. a/k/a Kyung Suh Co. Ltd., Joo Ang Apparel, Inc., L&T Group of Companies, Intl. f/d/b/a L&T International Corp., Mariana Fashions, Inc., Marianas Garment Manufacturing, Michigan, Inc., Micronesian Garment Manufacturing, Inc. n/d/b/a Rifu Apparel Corp., Mirage (Saipan), Inc., Neo Fashion, Inc., Net Apparel Co. a/k/a Net Apparel Co., N.E.T. Corp. f/d/b/a Suntex Manufacturing n/d/b/a Pacific Coast, Orwel Manufacturing, Inc., Pang Jin Sang Sa Corp., Sako Corp., Top Fashion Corp., Trans-Asia Garment Forte Corp., United International Corp., Uno Moda Corp., US-CNMI Development Corp., and Winners Corp. ("Defendant Manufacturers").
2. This Release is made concerning the following actions:
 - A. Doe I, et al. v. The Gap, Inc., et al., No. CV-01-0031 (D.N.M.I.) ("the Fit Federal Class Action"), Does I, et al., v. Brylane LP, et al. No. CV-01-0036 (D.N.M.I.), and Does I, et al. v. The Dress Barn, Inc., No. CV-01-0037 (D.N.M.I.) (collectively, the "Federal Class Actions");
 - B. Does 1, et al. v. Advanced Textile Corp., et al., Case No. CV-99-0002 (D.N.M.I.) (the "FLSA Action"); and
 - C. Union of Needletrades Industrial and Textile Employees, et al. v. The Gap, Inc., et al., No. 300474 (San Francisco Superior Court) ("the first State Court Action") and Union of Needletrades Industrial and Textile Employees, et al. v. Brylane, L.P., et al., Case No. 31 1075 (San Francisco Superior Court) (collectively, the "State Court Actions").
3. The following are additional defined terms under this Release:
 - A. "Court Actions" means the Federal Class Actions, the FLSA Action, and the State Court Actions.

- B.** "Party" or "Parties" shall include Defendant Retailers and ~~Defendant~~ Manufacturers.
- C.** "Effective ~~Date~~" shall mean the first business day following the last of the following to occur:
- i. The date the Settlement is finally approved by the United States District Court for the Northern Mariana Islands;
 - ii. The date the dismissals with prejudice with respect to the Parties become final in the State Court Actions;
 - iii. The date the dismissals with prejudice with respect to the Parties become final in the Federal Class Actions;
 - iv. The date the FLSA Action has been dismissed with prejudice with respect to the claims of Opt-In Plaintiffs against Defendant Manufacturers.
4. The Parties have entered into settlement agreements with the plaintiffs in the Court Actions, which remain subject to court approval. These agreements are collectively referred to as the "Settlement." One or more of the Parties claim that one or more of the other Parties may be liable for some or all of their attorneys fees, costs, settlement amounts or other damages, costs or fees incurred in, arising out of or related to the Court Actions or the claims released in the Settlement (collectively the "Released Claims").
5. To take effect upon the Effective Date, each Party, and their past and present officers, directors, shareholders (and the shareholders' past and present shareholders), employees, agents (including without limitation related companies that entered into any agreement for production of garments when the garments were manufactured by a Defendant Manufacturer), buying agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, sister corporations, insurers and reinsurers, and attorneys, hereby fully and forever releases and discharges all the other Parties, and their past and present officers, directors, shareholders (and the shareholders' past and present shareholders), employees, agents (including without limitation related companies that entered into any agreement for production of garments when the garments were manufactured by a Defendant Manufacturer), buying agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, sister corporations, insurers and reinsurers, and attorneys, from any and all claims, obligations, and liabilities for indemnification and any and all claims, obligations, and liabilities for contribution that may be owed by any of them arising out of or in any way related to the Court Actions or the Released Claims. This release does not preclude or affect the Parties' ability to pursue claims against their insurers.
6. With respect to the Released Claims, the Parties stipulate and agree that, upon the Effective Date, the Parties shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of §1542 of the

California Civil Code or any other similar provision under federal, CNMI or state law. California Civil Code § 1542 provides:

"A general release **does not** extend to **claims** which **the** creditor does **not know or** suspect to exist in his favor **at the time of** executing the release, which **if known by him must have** materially affected his settlement **with the debtor.**"

The Parties may hereafter discover facts in addition to or different from those that any of them now knows or believes to be true with respect to the Released Claims, but the Parties shall be deemed to have fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of an duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

7. Each Party represents, warrants and covenants to all other Parties **not to sue** my other Party to enforce any charge, claim or cause of action released pursuant to this Release. If a Party breaches this covenant **not to sue**, the breaching Party shall be liable for all damages incurred by the other Party, including without limitation, compensatory damages as well as attorneys' fees and costs.
8. Except for the Settlement in the Court Actions, this Release **constitutes the entire written** agreement of compromise and settlement among the Parties, **and there are no other** agreements modifying or affecting its terms. This Release supersedes all **other** agreements, written, oral, or implied, relating to the same subject. This Release **can** only be modified by a writing signed by the Parties to be bound and expressly stating that such modification is intended.
9. This Release is being made and delivered and is intended to be performed in the State of California and the execution, validity, construction, and performance of this Release shall be construed and enforced in accordance with the laws of California. **This Release shall** be deemed made and entered into in California, which shall be the exclusive venue for any action relating to this Release.
10. If any provision of this Release, or part thereof, is held invalid, void or voidable as against public policy or otherwise, the invalidity shall **not affect other provisions, or parts thereof, which may be given effect without the invalid provision or part. To this extent, the provisions, and parts thereof, of this Release are declared to be severable.**
11. This Release may be executed in one or more counterparts, including by facsimile, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. A facsimile signature shall have **the same force and effect as an original signature.**

12. In the event of dispute arising out of the interpretation or a breach of this Release, the prevailing Party shall be entitled to recover attorneys' fees incurred in connection with the dispute concerning the interpretation or a breach of this Release.
13. Each person who signs this Release warrants and *represents that* he or she has the authority to *make* this Release on behalf of the Party for which he or she signs. The Parties, and each of them, represent and warrant that they are the sole and exclusive owner of the rights, claims and causes of action herein released and that they have not heretofore assigned or transferred or purported to assign or transfer to any other person or entity any obligations, rights, claims, or causes of action herein released. If any action is brought that, if established, would be a breach of any of the above representations and warranties, the Party making the representation or warranty shall appear in and defend the action on behalf of the affected beneficiary or beneficiaries of the representation or warranty, at the maker's own sole cost and expense and shall, if such breach is established, pay any and all damages stemming from such breach.
14. The Parties hereto agree that, for their respective selves, heirs, executors and assigns, they will abide by this Release, the terms of which are meant to be contractual, and further agree that they will do such acts and prepare, execute and deliver such documents as may reasonably be required in order to carry out the objectives of this Release.
15. This Release shall be binding upon and shall inure to the benefit of the Parties hereto and to their respective representatives, successors and assigns.
16. This Release is entered into for purposes of settlement only. If the Release does not become final, or does not become effective for any reason other than the failure of any Party to perform such Party's obligations hereunder, this Release and anything said or done pursuant to this Release, or as part of the negotiations leading thereto, shall be null and void and of no further force and effect, and shall not be used, discoverable, or admissible in this or any other proceeding for any purpose, except as required by law, and all negotiations, proceedings, and statements relating thereto shall be without prejudice as to the rights of any and all Parties hereto and their respective predecessors and successors, and all Parties and their respective predecessors and successors shall be restored to their respective positions existing at the date of the Release.
17. Each Party represents that it has reviewed each term of this Release with its counsel and that it shall never dispute the validity of this Release on the ground that it did not have advice of its counsel or did not understand the consequences of this Release. Each Party has relied and is relying solely upon their own judgment, belief and knowledge of the nature, extent, effect and consequences relating to this Release and/or upon the advice of their own legal counsel concerning the legal consequences of this Release. The Release is freely and voluntarily signed by the Parties.
18. This Release shall be construed and enforced according to its fair meaning as if prepared by all Parties after extensive negotiation; no part of this Release shall be construed against any Party on the ground that the attorney for that Party drafted it.

IT IS SO AGREED.

[SIGNATURE BLOCKS FOR ALL PARTIES]

ESCROW AGREEMENT

This Escrow Agreement is dated as of this 24th day of September, 2002 by and between American Pacific Textile, Inc., Commonwealth Garment Manufacturing, Inc., Conccrde Garment Manufacturing Corp., Express Manufacturing, Inc., Global Manufacturing, Inc., Grace International, Inc., Hansae (Saipan) Inc. a/k/a/ New Star Corp. a/k/a Kyung Suh Co. Ltd., Joo Ang Apparel, Inc., L&T Group of Companies, Ltd. f/d/b/a L&T International Corp., Mariana Fashions, Inc., Marianás Garment Manufacturing, Michigan, Inc., Micronesia Garment Manufacturing, Inc. n/d/b/a Rifu Apparel Corp., Mirage (Saipan), Inc., Neo Fashion, Inc., Net Apparel Co., N.E.T. Corp. f/d/b/a Suntex Manufacturing n/d/ b/a Pacific Coast, Onwel Manufacturing, Inc., Pang Jin Sang Sa Corp., Sako Corp., Top Fashion Corp., Trans-Asia Garment Forte Corp., United International Corp., Uno Moda Corp., US CNMI Development Corp., and winners Corp. (collectively the "Settling Defendant Manufacturers"), and Abercrombie & Fitch Co., The Associated Merchandising Corp., The Gap, Inc., Lane Bryant, Inc., The Limited, Inc., J.C. Penney Company, Inc., The Talbots, Inc., and Target Corp. (collectively the "Settling Defendant Retailers") (the Settling Defendant Manufacturers and the Settling Defendant Retailers are collectively referred to herein as the "Settlers"), and U.S. Bank National Association as Escrow Agent ("Escrow Agent").

WITNESSETH:

WHEREAS, the Settlers are defendants in a certain civil action captioned DOE I, et al. v. The GAP, Inc., et al., Civil Case Number 01-0031, and certain of the Settling Defendant Manufacturers are defendants in a certain civil action captioned Does et al. v. Advance Textile Corp. et al., Civil Case Number 99-0002 pending in the United States District Court for the Northern Mariana Islands (the "Court"), and certain of the Settling Defendant Retailers are defendants in a certain state court civil action captioned Union of Needletrades Industrial and Textile Employees, et al. v. The Gap, Inc., et al., Case No. 300474 (San Francisco Superior Court) (all such state and federal actions collectively referred to herein as the "Actions");

WHEREAS, the Settlers have entered into a certain settlement agreement ("Settlement Agreement") with plaintiffs in the Actions ("Plaintiffs") which contemplates, among other things, the settlement of the Actions;

WHEREAS, the Settlement Agreement is required to have, but does not have, Court approval;

WHEREAS, the Settlement Agreement requires the creation of the VSSP Escrow Account ("VSSP Escrow Account") pursuant to the terms of this escrow agreement ("VSSP Escrow Agreement") because Settlers and Plaintiffs desire to have the Cash Settlement Amount available and secure pending Court approval of the Settlement Agreement;

EXHIBIT D

WHEREAS, the Settlement Agreement provides, among other things: (a) the Settlers collectively will contribute the aggregate amount of Ten Million Nine Hundred Ninety-Four Thousand Four Hundred Forty-Five Dollars (\$10,994,445.00) (the "Cash Settlement Amount") to an escrow account; (b) the Settlers have agreed among themselves upon their respective shares of the Cash Settlement Amount, and that those shares shall be confidential; (c) each Settler shall pay its respective share to the VSSP Escrow Account within ten (10) days of when the Settlement Agreement is finally and fully executed by all Settlers; (d) once having paid its respective share, no Settler will have any further financial liability to Plaintiffs unless the settlement contemplated by the Settlement Agreement does not become final as to that Settler, and (e) upon preliminary approval by the Court of the Settlement Agreement, the Escrow Fund shall be paid to the Milberg Escrow Account.

WHEREAS, Settlers have agreed with one another that each of them, in reliance on the contributions of the others, shall pay its respective share of the Cash Settlement Amount into the VSSP Escrow Account, to be there held and applied by the Escrow Agent as provided in this Escrow Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION I. Deposit of Funds and Establishment of Escrow.

(a) Within ten (10) days of the Settlement Agreement having been finally and fully executed by all Settlers, the Escrow Agent shall have received from each Settler its respective share of the Cash Settlement Amount in immediately available funds. The Cash Settlement Amount shall be held, invested and disbursed by the Escrow Agent as provided herein. The Escrow Agent shall deposit, upon receipt, the Cash Settlement Amount into a separate, segregated account (the "VSSP Escrow Account"). The VSSP Escrow Account shall be named the "Marianas Settlement Fund." Except upon investment as provided herein, the VSSP Escrow Account shall be established and maintained at U.S. Bank National Association ("Qualified Financial Institution"). Settlers may deliver the respective shares of the Cash Settlement Amount to the Escrow Agent by wire transfer directly to the Escrow Account.

(b) Within ten (10) days of the Settlement Agreement Execution Date, each Settler shall pay its respective share of the Cash Settlement Amount to the VSSP Escrow Account pursuant to the following wiring instructions:

U.S. Bank, NA
 ABA 075-000012
 For Credit to A/cct 112-950-027
 Account of U.S. Bank Trust Services
 Attention: William Klenk
 For Further Credit to Account Number
 08 0006200900 - Marianas Settlement Fund

(c) Michael J. Canter, Esq. and Robert J. O'Connor, Esq. ("Liaison Counsel") will separately provide to the Escrow Agent the names of the payors and the committed amount of the Cash Settlement Amount as to each. Such information is strictly confidential; is to be maintained by the Escrow Agent as confidential; and shall not be disclosed by the Escrow Agent to any third persons, except as required by law.

(d) The amount of money in the VSSP Escrow Account, as increased by any earnings thereon and as reduced by disbursements authorized in this Escrow Agreement, such as the payment of the Escrow Agent's fees and expenses and/or the payment of any applicable taxes, and/or as reduced by my losses on investments, at any one time shall be known as the VSSP Escrow Fund ("Escrow Fund"). The Escrow Agent shall notify Michael J. Canter Esq. immediately as each Settler's share is received and periodically report other receipts and expenditures and the Escrow Fund balance.

SECTION 2. Appointment of Escrow Agent. Settlers hereby appoint the Escrow Agent to act as escrow agent on the terms and conditions set forth herein. The Escrow Agent hereby agrees to act as escrow agent and to hold, safeguard and disburse the Escrow Fund pursuant to the terms and conditions hereof.

SECTION 3. Investment of Escrow Fund. The Escrow Fund shall be invested in the First American Treasury Obligations Fund.

SECTION 4. Qualified Settlement Fund. It is the intent of the parties to this Escrow Agreement that the Escrow Fund be deemed a qualified settlement fund ("QSF") as set forth in Section 458B of the Internal Revenue Code of 1986, as amended.

SECTION 5. Distribution of Escrow Fund. The Escrow Agent shall only make distributions of the Escrow Fund as follows:

(a) The Escrow Agent is authorized to pay from the Escrow Fund the fees and expenses of the Escrow Agent set forth in Section 8(h) prior to the initial investment of the Escrow Fund as set forth in Section 3.

(b) The Escrow Agent shall pay from the Escrow Fund all federal, state and local taxes as set forth in Section 7.

(c) Upon the receipt by the Escrow Agent of a certified copy of the Court's Order of Preliminary Approval of the Settlement Agreement ("Preliminary Approval"), the Escrow Agent shall distribute the Escrow Fund to the Milberg Escrow Account pursuant to the following wiring instructions:

Milberg Weiss Bershad Hynes & Lerach U P
 As Escrow Agent for Marciano Settlement Fund
 Account Number 02406586-70
 Tax I.D. No. 71-0883812
 San Diego National Bank, 1222-3868-2

1420 Kettner Blvd.
 San Diego, CA 92101
 Attn: Denyce Andersen
 619/744-2113

(d) Upon receipt by the **Escrow Agent** of Written notification from **Liaison Counsel** that a Termination has occurred as set forth in Section 6(a), the **Escrow Fund** shall be distributed as jointly *directed in writing* by **Liaison Counsel** to the **Settlers** proportion to amount of their individual shares paid. In their capacity as **Liaison Counsel**, **Michael J. Canter, Esq. and Robert J. O'Connor, Esq.** are not undertaking the legal representation of the **Settlers**; incur no responsibility or liability relating to the investment or distribution of the **Escrow Fund**; and are not guaranteeing the performance of the **Escrow Agent**.

(e) Upon receipt by the **Escrow Agent** of written notice from **Liaison Counsel** that one or more of the **Settlers** has exercised its right to **withdraw under the Settlement Agreement** ("Withdrawing Settler"), a portion of the **Escrow Fund** ("Escrow Fund Portion") shall be distributed as jointly directed in writing by **Liaison Counsel** to the **Withdrawing Settler**.

SECTION 6. Termination of Escrow. This Escrow Agreement shall be terminated only upon the occurrence of *the following*:

(a) The **Escrow Agent** has received *in writing* from **Liaison Counsel** declarations that the **Settlement Agreement** has failed by its terms; or

(b) The **Escrow Agent** has received a certified copy of the **Court's Preliminary Approval** and all of the **Escrow Funds** have been distributed in accordance with the terms of this **Escrow Agreement**.

SECTION 7. Income taxes.

If, at the time any applicable taxes are due, the **Escrow Fund** still exists, then the **firm of Milberg Weiss Bershad Hynes & Lerach LLP** shall determine the appropriate tax payment(s), including interest and penalties (collectively, the "Tax Payments"). The **Escrow Agent** shall pay from the **Escrow Fund** any and all such **Tax Payments** as jointly directed by **Michael J. Canter, Esq., Michael Rubin, Esq., and Robert J. O'Connor, Esq.**

SECTION 8. Escrow Agent.

(a) The **Escrow Agent** shall have no duty or obligation hereunder other than to take such specific action; as are required of it from time to time under the provisions hereof.

(b) The only duties and responsibilities of the Escrow Agent shall be (i) to hold and invest the Escrow Fund received hereunder; (ii) to maintain the confidentiality of the information set forth in Section 1(c); (iii) to pay the appropriate taxes set forth in Section 7 and fees and expenses set forth in Section 8(h); (iv) to release such Escrow Fund in accordance with the terms of this Escrow Agreement or in accordance with an order or judgment of any court of competent jurisdiction; and (v) to perform its obligations set forth in this Agreement, which are related to the duties and responsibilities specifically referred to in this subsection.

(c) Settlers jointly and severally agree to indemnify, hold harmless and defend the Escrow Agent from and against any and all losses, claims, liabilities and reasonable expenses, including the reasonable fees of its counsel, which the Escrow Agent may suffer or incur hereunder, or in connection herewith.

(d) Notwithstanding the preceding provision, Section 8(c), Settlers shall incur no liability resulting solely and directly from the Escrow Agent's gross negligence or willful misconduct.

(e) Notwithstanding Section 8(c), Settlers shall incur no liability resulting from the Escrow Agent's payment of all appropriate taxes and expenses as set forth in Section 5(a) and Section 7.

(f) Notwithstanding Section 8(c), if the Escrow Agent is required to take action or otherwise comply with any judgment or order of any court of competent jurisdiction, the Settlers shall incur no liability for any diminution in the Escrow Fund resulting therefrom.

(g) The Escrow Agent shall not be bound in any way by any agreement or contract between Plaintiff and Settlers (whether or not the Escrow Agent has knowledge thereof).

(h) The Escrow Agent's fees and expenses shall total \$500.00 and shall be paid in accordance with Section 5(a).

SECTION 9. Miscellaneous.

(a) Notices. All notices, consents, waivers and other communications under this Escrow Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telecopier (with written confirmation of receipt) provided that a copy is mailed by registered mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses and telecopier numbers set forth below (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties):

**On behalf of the
Settling Defendant Manufacturers:**

Robert J. O'Connor, Esq.
O'Connor Berman Dotts & Banes
Second Floor, Nauru Building, Susupe
P.O. Box 1969
Saipan, MP 96950-1969
Phone: (670) 234-5684
Fax: (670) 234-5683

**On behalf of the
Settling Defendant Retailers:**

Michael J. Canter, Esq.
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street
Columbus, Ohio 43215
Phone: (614) 464-6327
Fax: (614) 719-4655

Liaison Counsel:

Robert J. O'Connor, Esq.
O'Connor Berman Dotts & Banes
Second Floor, Nauru Building, Susupe
P.O. Box 1969
Saipan, MP 96950-1969
Phone: (670) 234-5684
Fax: (670) 234-5683

-and-

Michael J. Canter, Esq.
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street
Columbus, Ohio 43215
Phone: (614) 464-6327
Fax: (614) 719-4655

**On behalf of the
Escrow Agent:**

Marilyn Humphrey
U.S. Bank National Association
175 South Third
Columbus, Ohio 43215
Phone: (614) 232-8062
Fax: (614) 232-2250

Any party may change the address to which notices are to be addressed by giving the other party notice in the manner herein set forth

(b) Successors and Assigns. The provisions of this Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

(c) Governing Law. This Escrow Agreement shall be construed in accordance with and governed by the law of the State of Ohio without regard to the conflicts of law rules of any state.

(d) Definitions. Terms used herein that are defined in the Settlement Agreement are, unless otherwise defined, used herein as therein defined.

(e) Amendments. Any provision of this Escrow Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party hereto, or in the case of a waiver, by the party against whom the waiver is to be effective.

(f) Counterparts; Effectiveness. This Escrow Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Escrow Agreement shall become effective as to each party upon the execution of this Escrow Agreement by such party.

(g) Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(h) Exclusive Agreement and Modification. This Escrow Agreement supersedes all prior agreements among the parties with respect to its subject matter and constitutes (along with the agreements referred to in this Escrow Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by all Settlers and the Escrow Agent.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the day and year first above Written.

American Pacific Textile, Inc.

By: _____
Its: _____

Commonwealth Garment Manufacturing, Inc. Corp.

By: _____
Its: _____

Express Manufacturing, Inc.

By: _____
Its: _____

Grace International, Inc.

By: _____
Its: _____

Joo Ang Apparel, Inc.

By: _____
Its: _____

Mariana Fashions, Inc.

By: _____
Its: _____

Micronesia Garment Manufacturing, Inc. d/b/a Rifu Apparel Corp.

By: _____
Its: _____

Neo Fashion, Inc.

By: _____
Its: _____

Concorde Garment Manufacturing

By: GLICERIO ARAGO
Its: Vice President for Finance & Admin.

Global Manufacturing, Inc.

By: GLICERIO ARAGO
Its: Vice President for Finance & Admin.

Hansae (Saipan) Inc. a/k/a New Star Corp. a/k/a Kyung Suh Co. Ltd.

By: _____
Its: _____

L&T Group of Companies, Ltd. f/d/b/a L&T International Corp.

By: GLICERIO ARAGO
Its: Vice President for Finance & Admin.

Marijanas Garment Manufacturing, Michigan, Inc.

By: _____
Its: _____

Mirage (Saipan), Inc.

By: _____
Its: _____

Net Apparel Co.

By: _____
Its: _____

N.E. Corp. f/d/b/a Suntex Manufacturing
nd/t Pacific Coast
By: _____
Its: _____

Onwel Manufacturing, Inc.
By: _____
Its: _____

Pang in Sang Sa Corp.
By: _____
Its: _____

Sako Corp., Top Fashion Corp.
By: _____
Its: _____

Trans Asia Garment Forte Corp.
By: GILCERIO ARAGO
Its: Vice President for Finance & Admin.

United International Corp.
By: _____
Its: _____

Uno Moda Corp.
By: _____
Its: _____

US CNMI Development Corp.
By: _____
Its: _____

Winners Cor
By: _____
Its: _____

Abecrombie & Fitch Co.
By: _____
Its: _____

The Associated Merchandising Corp.
By: _____
Its: _____

The Gap, Inc.
By: _____
Its: _____

Jan Bryant, Inc.
By: _____
Its: _____

The Limited, Inc.
By: _____
Its: _____

.C. Tenney Company, Inc.
By: _____
Its: _____

The Talbots, Inc.
By: _____
Its: _____

Target Corp.

By: _____

(ts: _____

U.S. Bank National Association

By: _____
