



**EMPLOYMENT ISSUE RESOLUTION PROGRAM  
FREQUENTLY ASKED QUESTIONS  
(EIRP FAQ'S)**

JAN06

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1. **WHAT IS THE PURPOSE OF THIS PROGRAM?**

**Movie Gallery, Inc.**, and its affiliated companies, including **Movie Gallery US, LLC** (“Movie Gallery”) and **Hollywood Entertainment Corporation** (“Hollywood”) (collectively, the “Employer”) has established an Employment Issue Resolution Program (“EIRP”), culminating in formal and binding arbitration, designed to provide the Employer and its employees with a fair, private, exclusive, expeditious, final and binding means for resolving employment related legal disputes without the need for litigation in federal, state or local courts.

2. **WHAT IS ARBITRATION?**

Arbitration is similar to a court case but is less formal and takes place in a much shorter time period – usually in a matter of months rather than years. In arbitration, the Employer and the employee agree to submit legal disputes to an arbitrator who, after hearing from witnesses and receiving evidence from each party, renders a final, binding decision regarding the dispute. There is no jury in arbitration. The arbitrator is a neutral party, usually a retired judge or an attorney with experience deciding employment-related disputes. The arbitrator is provided by a neutral, third-party organization that specializes in alternative dispute resolution.

3. **WHAT TYPES OF CLAIMS WILL BE RESOLVED IN ARBITRATION?**

Any claims arising under federal, state or local statutory or common law shall be subject to arbitration including, but not limited to, any and all claims brought by the employee or the Employer or one of its affiliates, subsidiaries or sister companies, arising out of or relating to the employment relationship. Some examples of employment related claims that are subject to arbitration include, but are not limited to:

- Discrimination on the basis of age, race, sex, disability, national origin or religion
- Sexual harassment
- Breach of contract

4. **WHERE WILL THE ARBITRATION TAKE PLACE?**

The arbitration hearing shall be held at the offices of, or a location selected by, the Arbitrator in the city nearest the location of the employee's last employment with the Employer, unless the parties agree otherwise.

5. **ARE THE ARBITRATORS ON THE EMPLOYER'S PAYROLL?**

No. Arbitrators are not employed by the Employer or by any of its affiliates. However, the Employer has agreed to pay the hourly or daily fee of the arbitrator.

6. **HOW IS THE ARBITRATOR SELECTED?**

The Employer and the employee shall participate equally in the selection of an Arbitrator. An independent Arbitration Service Provider ("ASP") will provide each party with a list of seven (7) neutral arbitrators. The Employer and the employee will then have the opportunity to review the background of the arbitrators and submit a letter to the ASP striking up to three arbitrators from the list. The ASP will then select as arbitrator any remaining arbitrator on the list. The Employer and the employee also may agree between themselves to the appointment of an arbitrator.

7. **WHAT HAPPENS IF I FILE A LAWSUIT AGAINST THE EMPLOYER REGARDING AN EMPLOYMENT RELATED ISSUE?**

The Employer will ask the court to dismiss the case and refer it to the EIRP.

8. **DO I HAVE TO HIRE AN ATTORNEY TO GO TO ARBITRATION?**

No, although you may do so if you wish.

9. **WILL THE EMPLOYER USE ATTORNEYS TO DEFEND ARBITRATION?**

It will depend on the case. However, one of the advantages to arbitration is that it may reduce the amount of attorneys' fees incurred by both the Employer and the employee.

10. **CAN CASES STILL BE SETTLED BY NEGOTIATION?**

Yes.

11. **CAN ARBITRATION DECISIONS BE APPEALED?**

Only on limited grounds. In most cases, the arbitration decision is final and binding.

12. **IS THE ARBITRATION PROGRAM COST EFFECTIVE?**

Yes. Because the arbitration program is faster and less formal than a case brought in court, it tends to be less expensive, a benefit to you and to the Employer.

13. **CAN I RECOVER DAMAGES?**

Yes. The arbitrator can award monetary damages to compensate you for harm you may have suffered to the same extent you could recover such damages in court.

14. **CAN I STILL FILE A CHARGE WITH THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION OR STATE HUMAN RIGHTS OFFICE?**

Yes. Claims for state employment insurance (e.g., unemployment compensation, workers' compensation, worker disability compensation) or claims filed with administrative agencies, such as the National Labor Relations Board, the Equal Employment Opportunity Commission or similar state agencies are not subject to arbitration. However, if you receive a Right-To-Sue letter or similar form from any of these agencies, you will then be required to utilize the EIRP rather than filing a lawsuit.

15. **HOW DO I COMMENCE ARBITRATION?**

An employee shall commence arbitration by submitting an Arbitration Request Form to:

Arbitration Coordinator  
Employment Issue Resolution Program  
9275 S.W. Peyton Lane  
Wilsonville, Oregon 97070

The Form must be accompanied by a cashier's check or money order in the amount of \$50.00 as a filing fee. This filing fee will be deposited into a non-interest bearing Trust Account and will be paid directly to the designated ASP.

16. **WHAT SHOULD I DO IF I HAVE ANY QUESTIONS ABOUT THIS PROGRAM?**

If you have any questions about arbitration or the EIRP you may contact the Arbitration Coordinator at (877) 882-EIRP (3477).

## **EMPLOYMENT ISSUE RESOLUTION AGREEMENT**

Should any dispute or difference between Employee and Employer, or their agents, arise at any time out of any aspect of the employment relationship, including, but not limited to, the hiring, performance or termination of that relationship, Employee and Employer will confer and attempt in good faith to resolve promptly such dispute or difference.

In the event that Employee and Employer are unable to resolve their differences, and should either desire to pursue a claim against the other party, the party making the claim will, within one year of the date when the claim arose, or within one year of when Employee's employment ends, whichever occurs first, submit to the other party a written request to have such claim, dispute or difference resolved through impartial arbitration. However, when Employee or Employer claims a violation of a specific statute having its own specific statute of limitations, that statutory time limit will apply.

Arbitration shall be conducted by an arbitrator provided by an impartial third-party arbitration provider, such as the American Arbitration Association (AAA), Judicial Arbitration and Mediation Services (JAMS), National Arbitration and Mediation Services (NAM), or similar provider, or by an arbitrator chosen jointly by the parties. Any claim or dispute will be arbitrated by a single arbitrator on an individual basis and not as a class action. The arbitration shall be held in the county and state where Employee currently works for Employer or most recently worked for Employer. Employee's share of the arbitration filing fee will not exceed \$50, and the arbitrator will have authority to direct Employer to reimburse Employee for that portion of the filing fee paid by Employee if the arbitrator upholds Employee's claim.

During the arbitration process, the arbitrator will apply the terms of this Agreement as written, the Federal Arbitration Act, and other relevant federal and state laws, including time limits on claims. If Employee prevails in the arbitration, Employer will bear all expenses and charges of the arbitrator. Each party shall generally be liable for its own attorney's fees, except that the arbitrator will have the authority to award appropriate relief, including damages, costs and attorney's fees, as available under applicable law. However, the arbitrator cannot direct Employee to pay more than a total of \$200 or two days of Employee's pay, whichever is less, toward the fees of the arbitrator.

Except for workers' compensation claim or unemployment benefits claim, or a dispute concerning the interpretation, enforceability or enforcement of this Agreement, the impartial arbitration proceeding will be the exclusive, final and binding method of resolving any and all disputes between Employer and Employee.

This Agreement does not alter the "at will" status of the employment relationship or create a promise of continued employment. The terms and conditions of employment (excluding this Agreement) can be altered or terminated, with or without cause, and with or without notice, at any time at the option of the Employer or Employee.

If any part of this Agreement is deemed or found to be unenforceable for any reason, the remainder shall remain enforceable.

**IT IS SO AGREED:**

**MOVIE GALLERY, INC.  
MOVIE GALLERY US, LLC  
HOLLYWOOD ENTERTAINMENT CORPORATION  
(collectively, the "Employer")**

\_\_\_\_\_  
**Employee**

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

\_\_\_\_\_  
**Print Name and Social Security No.**

\_\_\_\_\_  
**Print Name and Title**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

**EMPLOYMENT DISPUTE RESOLUTION PROGRAM  
REQUEST FOR ARBITRATION**

Name: \_\_\_\_\_  
SSN: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Date of Incident: \_\_\_\_\_  
Store/Place of Employment: \_\_\_\_\_

Please state the dispute you wish to have decided by an Arbitrator.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Please attach additional sheets if necessary).

Please include the names of any witnesses to the incident(s) unlawful action.  
\_\_\_\_\_  
\_\_\_\_\_

Please state how you would like this dispute to be resolved.  
\_\_\_\_\_  
\_\_\_\_\_

(Please attach additional sheets if necessary).

If you will be represented by an attorney, please identify that person below.  
Name of Representative: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_

I hereby submit the above-described dispute for arbitration. I am enclosing herewith a cashier's check or money order in the amount of \$50.00.

By checking here, \_\_\_\_\_ I agree to National Arbitration and Mediation, Inc. (NAM) as the neutral third party Arbitration Service Provider. If you do not agree to use NAM as the Arbitration Service Provider, please provide the name of the service provider that you would like to use \_\_\_\_\_.  
In the event that an alternative Arbitration Service Provider is not suggested, NAM will be the default provider for this arbitration proceeding.

I acknowledge that the decision of the arbitrator is final and binding as to any and all claims relating to my employment relationship with Movie Gallery, Inc., Movie Gallery US, LLC, or Hollywood Entertainment Corporation or any of its affiliates.

**SIGNED:**

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee's Attorney

\_\_\_\_\_  
Date