SETTLEMENT AGREEMENT AND RELEASE

The People of the State of California, by and through San Francisco City Attorney Dennis J. Herrera ("the People") and King of Thai Noodle House, Inc., King of Thai Noodle #2, Inc. (currently closed but corporation is not presently dissolved), King of Thai Noodle Co3 (presently dissolved), King ChaOm Thai Restaurant, Inc., and K.O.T.N. On Fisherman's Wharf, Inc. (hereinafter collectively referred to as "King of Thai"), do hereby enter into this Settlement Agreement and Release (the "Agreement"), with reference to the following facts:

Recitals

A. During 2010, 2011 and part of 2012, King of Thai charged its customers a Health Care Surcharge of 3% of customers' checks.

B. In 2013, King of Thai cooperated fully with the City Attorney Office's efforts to ascertain how much of the money King of Thai collected from this surcharge was actually spent on health care for its employees. The parties determined that King of Thai received more money from imposition of the Health Care Surcharge than it spent on health care for Covered Employees.

WHEREFORE, in consideration of the promises, covenants, representations and warranties contained herein, and for good and valuable consideration given hereunder, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Effective Date

The effective date of this Agreement will be the date the Agreement is signed by all parties if on the same day or if on different dates then the last day signed by a party.

2. Definitions

All references to years shall mean the relevant calendar year(s).

"Agreement" shall mean this Settlement Agreement and Release.

"Claimants" shall mean Covered Employees that were employed by King of Thai in San Francisco during 2010, 2011 and/or 2012.

"Covered Employees" shall have the definition set forth in Section 14.2(b)(2) of the HCSO.

"HCSO" shall mean the San Francisco Health Care Security Ordinance, codified at San Francisco Administrative Code, Chapter 14.

"Health Care Surcharge" shall mean the 3% "SF Healthcare" surcharge added to King of Thai's customers' bills in 2010, 2011 and part of 2012.